



UNIVERSITY
DISTRICT

DISCLOSURE STATEMENT
UNIVERSITY DISTRICT NORTH
13428 105 Avenue, Surrey, British Columbia
10468 University Drive, Surrey, British Columbia

DEVELOPER: BLUESKY PROPERTIES (UD LANDS) INC.; and
BLUESKY PROPERTIES (UD NORTH) INC.

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 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 North Tower 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.

DATE OF DISCLOSURE STATEMENT: October 17, 2018

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:
_____ [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
NORTON ROSE FULBRIGHT CANADA LLP
1800 - 510 West Georgia Street
Vancouver, B.C. V6B 0M3

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 this 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 this 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 this 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 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 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 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 this 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; 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.
 - (iv) If the developer has obtained a satisfactory financing commitment, the developer is deemed to have made adequate arrangements for the purpose of installing utilities and other services associated with the strata lots.

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EXHIBIT "D"	Proposed Form V – Schedule of Unit Entitlement
EXHIBIT "E"	Estimated Operating Budgets
EXHIBIT "F"	Estimated Monthly Maintenance Fees per Strata Lot
EXHIBIT "G"	Proposed Form Y – Owner Developer's Notice of Different Bylaws
EXHIBIT "H"	Proposed Form of Parking Facility/Storage Lease and Bosa Volt Charging Station License Agreement sometimes called the Master Parking/Storage Agreement
EXHIBIT "I"	Proposed Form of Partial Assignment of Master Parking/Storage Agreement
EXHIBIT "J"	Strata Property Act Form J – Rental Disclosure Statement
EXHIBIT "K"	Handling Deposits – sections 18 and 19 of <i>Real Estate Development Marketing Act</i>
EXHIBIT "L"	Form of Agreement of Purchase and Sale
EXHIBIT "M"	Proposed Form of Management Agreements
EXHIBIT "N"	Proposed Form of Roof Lease
EXHIBIT "O"	Copy of City of Surrey Zoning Text Applicable to the Project
EXHIBIT "P"	Form of Addendum entitled Addendum/Amendment to Agreement of Purchase and Sale – Bolt Volt Charging Station
EXHIBIT "Q"	Draft Reciprocal Amenity Use and Cost Sharing Agreement.
EXHIBIT "R"	Draft Parking Stalls Easement
EXHIBIT "S"	Draft Parking Access Easement

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;

“**Approving Officer**” means the approving officer under the *Land Title Act* for the City;

“**Beneficial Owner**” means, BlueSky Properties (UD North) Inc., as beneficial owner of the Lands;

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

“**Budget**” means the estimated operating budgets prepared by the Developer for North Tower and attached hereto as **Exhibit “E”**;

“**Bylaws**” means the bylaws as described in Section 3.6 hereof;

“**Carshare Amenity**” has the meaning set forth in Section 2.12(d);

“**Carshare Stalls**” has the meaning set forth in Section 2.1.2(d);

“**City**” means the City of Surrey;

“**City Lane**” means the lands legally described as Parcel Identifier: 029-182-107, That Part of Section 22 Block 5 North Range 2 West New Westminster District Plan BCP52120;

“**City Lane Purchase Agreement**” means the purchase and sale agreement dated for reference September 11, 2018 between the City, as vendor, and the Developer and an associated company, as purchaser, with respect to the City Lane;

“**Climate Controlled Storage and Parcel Delivery System**” means a delivery management facility providing for temperature-controlled storage of groceries and the secure delivery and retrieval of packages;

“**Commercial Air Space Parcels**” means one or more air space parcels containing the Commercial Component, to be created upon registration of the Lot B 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 Lot B Air Space Subdivision Approval, if, as and when Development #2 is proceeded with;

“**Commercial Component**” means approximately 2,400 square feet of ground floor commercial/retail premises, together with common property, for potential retail, commercial and/or office use, which may be constructed concurrently with South Tower on Lot B, if, as and when Development #2 is proceeded with, and if so, then registered in the Land Title Office as the Commercial Air Space Parcels;

“**Common Property**” has the meaning set forth in Section 3.4;

“**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 subsection 2.1.2(h);

“**Construction Financing**” has the meaning given in Section 6.2;

“**Construction Mortgage**” has the meaning given in Section 6.2;

“**Developer**” means, collectively, the Nominee and the Beneficial Owner;

“**Development**” or “**North Tower**” means the 28-storey residential concrete high-rise building with ground floor townhouses containing 322 residential strata lots, and common property, **which is the subject matter of this Disclosure Statement**;

“**Development #1**” means the initial component of the Project consisting of the North Tower and the North Tower Amenity Space to be constructed on Lot A, as further described in Section 2.1.1;

“**Development #2**” means the second and final component of the Project consisting of the South Tower, the South Tower Amenity Space and the Commercial Component which may be constructed on Lot B, and then subdivided by way of the Lot B Air Space Subdivision Plan, if, as and when Development #2 is proceeded with;

“**Development Permit**” means Development Permit Number No. 7918-0058-00 as authorized by the City;

“**District Energy System**” has the meaning set forth in Sections 3.14;

“**Eligible Purchaser**” has the meaning set forth in Section 7.2.5;

“**Eligible Strata Lots**” has the meaning set forth in Section 7.2.5;

“**First Mortgage**” has the meaning given in Section 6.2;

“**Lands**” has the meaning given to in in Section 4.1;

“**Land Title Office**” means the New Westminster Land Title Office;

“**Lease Back Program**” has the meaning set forth in Section 7.2.5;

“**Lot 29**”, “**Lot 30**”, “**Lot 44**”, “**Lot 45**”, “**Lot 46**” and “**Lot 47**” each have the meaning ascribed thereto in Section 4.1;

“**Lot A**” means the lands which are labeled as “**Lot A**” on the Subdivision Plan and whereupon Development #1 is to be constructed, to be created upon registration of the Subdivision Plan in the Land Title Office for the subdivision of the Lands into Lot A and Lot B, including all rights, benefits, encumbrances and burdens that run with or are appurtenant thereto, including those created in conjunction with the Subdivision Approval;

“**Lot B**” means the lands which are labeled as “Lot B” on the Subdivision Plan and whereupon Development #2 are to be constructed, if, as and when Development #2 is proceeded with, to be created upon registration of the Subdivision Plan in the Land Title Office for the subdivision of the Lands into Lot A and Lot B, including all rights, benefits, encumbrances and burdens that run with or are appurtenant thereto, including those created in conjunction with the Subdivision Approval;

“**Lot B Air Space Subdivision Approval**” means the approval of the Lot B Air Space Subdivision Plan by the Approving Officer;

“**Lot B Air Space Subdivision Plan**” means the air space subdivision plan pursuant to which Lot B will be further subdivided to create the Commercial Air Space Parcels and the South Tower Remainder Lands, if, as and when Development #2 is proceeded with;

“**Lot B Parking Stalls**” has the meaning set forth in Section 3.7;

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

“**Nominee**” means BlueSky Properties (UD Lands) Inc.;

“**North Tower**” or the “**Development**” means the 28-storey residential concrete high-rise building with ground floor townhouses containing 322 residential strata lots and common property, **which is the subject matter of this Disclosure Statement**;

“**North Tower Amenity Space**” means the amenity area including a children’s play area and a detention pond / water feature forming part of Development #1, which will be constructed concurrently with the North Tower and available to residents of the North Tower and the South Tower, if and as when the South Tower is constructed, pursuant to the Reciprocal Amenity Use and Cost Sharing Agreement, between the North Tower lands owner and the South Tower Remainder Lands owner, and for further clarity will not be available for use by owners/occupants of the Commercial Component, if, as and when Development #2 is proceeded with;

“**Parking Access Easement**” means the easement agreement to be entered into by the registered owner of each of Lot A and Lot B (but excluding the Commercial Component), and to thereafter be binding upon the successors in title thereto, whereby access to a driveway, vehicular ramp and related improvements on a portion of Lot B is granted to the owners of the residential strata lots in the North Tower for the purposes of providing vehicular access to and egress from the underground parking facility in the Development, a draft copy of which easement agreement is attached hereto as **Exhibit “S”**;

“**Parking Stalls Easement**” means the easement agreement to be entered into by the registered owner of each of Lot A and Lot B (but excluding the Commercial Component), and to thereafter be binding upon the successors in title thereto, whereby the owner of Lot A is granted the benefit of an easement over a portion of the underground parking facility that is intended to be constructed on Lot B in order to access the Lot B Parking Stalls, a draft copy of which easement agreement is attached hereto as **Exhibit “R”**;

“**Project**” means, collectively, Development #1 and Development #2, as further described in Section 2.1.1(a);

“**Project Manager**” has the meaning set forth in Section 1.6(b);

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

“Reciprocal Amenity Use and Cost Sharing Agreement” means the agreement to be entered into by the registered owner of each of Lot A and Lot B (but excluding the Commercial Component), and to thereafter be binding upon the successors in title thereto, whereby access to the North Tower Amenity Space is granted by the owners of the residential strata lots within the North Tower to the owners of the residential strata lots within the South Tower, and whereby access to the South Tower Amenity Space is granted by the owners of the residential strata lots within the South Tower to the owners of the residential strata lots within the North Tower, and cost sharing obligations with respect to repair, replacement, maintenance, operation and management of the North Tower Amenity Space, the South Tower Amenity Space, and the facilities and equipment therein, are allocated between the owners of residential strata lots within the North Tower and the South Tower, together with such other easements, covenants and equitable charges as may be necessary or desirable in respect of the North Tower Amenity Space and the South Tower Amenity Space, all applicable if, as and when Development #2 is proceeded with, a draft copy of which is attached hereto as **Exhibit “Q”**;

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

“Section 218 Statutory Right of Way” means a covenant 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;

“South Tower” means the 37-storey concrete high-rise building with ground floor townhouses containing approximately 420 residential strata lots and common property, if, as and when Development #2 is proceeded with;

“South Tower Amenity Space” means a bicycle pavilion; an indoor amenity facility containing potentially a fitness facility and kitchen with eating area, lounge area, play area, meeting room and multi-purpose room; an outdoor seating area, outdoor pool deck and courtyard with seating - all forming part of Development #2 and constructed concurrently with the South Tower and available to residents of the North Tower and the South Tower, if as when the South Tower is constructed, pursuant to the Reciprocal Amenity Use and Cost Sharing Agreement, between the North Tower lands owner and the South Tower Remainder Lands owner, and for further clarity will not be available for use by owners/occupants of the Commercial Component, if, as and when Development #2 is proceeded with;

“South Tower Remainder Lands” means the parcel of land containing South Tower, to be created upon registration of the Lot B 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 Lot B Air Space Subdivision Approval, if, as and when Development #2 is proceeded with;

“South Tower Strata Corporation” means the strata corporation formed upon the filing in the Land Title Office of the strata plan for the subdivision of Lot B into approximately 420 strata lots, if, as and when Development #2 is proceeded with;

“Standard Bylaws” means the “Standard Bylaws” pursuant to the *Strata Property Act*;

“Strata Corporation” means the strata corporation in respect of the North Tower, formed upon filing in the Land Title Office of the Strata Plan for the subdivision of Lot A;

“Strata Lots” means the residential strata lots created upon the filing in the Land Title Office of the Strata Plan that subdivides the North Tower into 322 strata lots and common property and **“Strata Lot”** means any one of them; and

“Strata Plan” means the proposed strata plan of the North Tower attached hereto as **Exhibit “C”**;

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

“Subdivision Approval” means the approval of the Subdivision Plan by the Approving Officer;

“Subdivision Plan” means the proposed subdivision plan prepared by Bennett Land Surveying Ltd., B.C. and Canada Land Surveyors and Engineers marked as Plan EPP79101, pursuant to which the Lands will be subdivided to create Lot A and Lot B, a proposed copy of which is attached hereto as **Exhibit “B”**;

“Tenancy Agreement” has the meaning set forth in Section 7.2.5;

“UD Parking” means BlueSky Properties (UD Parking) Inc.; and

“Unit Entitlement” has the meaning set forth in Section 3.1.

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 Project Concept Plan
EXHIBIT “B”	Proposed Subdivision Plan
EXHIBIT “C”	Proposed Strata Plan
EXHIBIT “D”	Proposed Form V – Schedule of Unit Entitlement
EXHIBIT “E”	Estimated Operating Budgets
EXHIBIT “F”	Estimated Monthly Maintenance Fees per Strata Lot
EXHIBIT “G”	Proposed Form Y – Owner Developer’s Notice of Different Bylaws
EXHIBIT “H”	Proposed Form of Parking Facility/Storage Lease and Bosa Volt Charging Station License Agreement sometimes called the Master Parking/Storage Agreement
EXHIBIT “I”	Proposed Form of Partial Assignment of Master Parking/Storage Agreement
EXHIBIT “J”	Strata Property Act Form J – Rental Disclosure Statement
EXHIBIT “K”	Handling Deposits – sections 18 and 19 of <i>Real Estate Development Marketing Act</i>
EXHIBIT “L”	Form of Agreement of Purchase and Sale
EXHIBIT “M”	Proposed Form of Management Agreements
EXHIBIT “N”	Proposed Form of Roof Lease
EXHIBIT “O”	Copy of City of Surrey Zoning Text Applicable to the Project

EXHIBIT "P"	Form of Addendum entitled Addendum/Amendment to Agreement of Purchase and Sale – Bolt Volt Charging Station
EXHIBIT "Q"	Draft Reciprocal Amenity Use and Cost Sharing Agreement.
EXHIBIT "R"	Draft Parking Stalls Easement
EXHIBIT "S"	Draft Parking Access Easement

1. **DEVELOPER**

- (a) Name: BlueSky Properties (UD Lands) Inc. [nominee]
- Jurisdiction of Incorporation: British Columbia
- Date of Incorporation: June 29, 2017
- Incorporation Number: BC0914328
- (b) Name: BlueSky Properties (UD North) Inc.
- Jurisdiction of Incorporation: British Columbia
- Date of Incorporation: December 14, 2017
- Incorporation Number: BC0927728

1.2 **Purpose and Assets**

The Developer, BlueSky Properties (UD Lands) Inc. (the "Nominee"), was specifically incorporated as nominee for the beneficial owner of the Lands. The Nominee has no assets.

The Developer, BlueSky Properties (UD North) Inc., was formed under the laws of the Province of British Columbia for the purpose of acquiring a share of the beneficial ownership of the Lands, constructing the North Tower and marketing the Strata Lots. The Developer, BlueSky Properties (UD North) Inc., has no assets other than beneficial ownership of the Lands.

1.3 **Registered and Records Office Address**

The address of the registered and records office for each company comprising the Developer is 1101 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6.

1.4 **Directors**

The Directors of each company comprising the Developer are Colin Bosa and Dale Bosa.

Colin Bosa is President of each company comprising the Developer and Dale Bosa is Secretary of each company comprising the Developer.

1.5 **Developer, Directors and Officers Disclosure of Experience**

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:

- (a) Apart from the North Tower as described in Section 2.1.1 of this Disclosure Statement, the Developer has not undertaken any other real estate developments.

While the Developer was formed specifically for the purpose of acquiring the Lands and constructing the North Tower thereon, companies and other legal entities affiliated with the Developer 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 the Nominee and the Beneficial Owner. 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 7,000 residential strata lots in primarily concrete high-rise projects in the Lower Mainland of British Columbia.
- (c) Colin Bosa is a director of the Nominee and the Beneficial Owners. 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 6,500 residential strata lots in primarily concrete high-rise projects in the Lower Mainland of British Columbia.

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 holders thereof, 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

1.5.3.1 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.

1.5.3.2 To the best of the Developer's knowledge, none of the directors, officers or principal holders of the Developer, or the directors or officers of any 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 the Developer, such as Provident Financial Corporation, may provide construction loans to the Developer to permit construction of the North Tower and such loans may be secured by mortgages registered against title to the Lands.

(b) Project Management

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

(c) Construction

Construction of the North Tower will be completed by Axiom Builders Inc. Axiom Builders Inc. is a British Columbia company that is affiliated with the Developer and its principals.

(d) Parking Stalls and Storage Lockers

All of the parking stalls and storage lockers in the underground parking levels at the Development will be leased by the Developer to UD Parking, 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 UD Parking to grant partial assignment of the Master Parking/Storage Agreement to buyers 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 Section 3.7 through Section 3.9 of this Disclosure Statement.

(e) Roof of Development

The Developer will grant a lease of a portion of the roof areas of the Development to a company affiliated with the Developer for communication services. A draft copy of such lease is attached hereto in **Exhibit “N”**.

1.7 Offering made by Developer

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 Principal Holder

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 either Developer.

2. GENERAL DESCRIPTION

2.1.1 General Description of the Project

(a) Overall Project

(i) The Nominee is the registered owner of legal title to Lot 29, Lot 30, Lot 44, Lot 45, Lot 46 and Lot 47. The Beneficial Owner has made arrangements to own the portion of the Lands that will be assembled and subdivided to form Lot A. The Nominee will continue to be the registered owner of legal title to Lot A, which legal title the Nominee will hold as nominee, bare trustee and agent for the Beneficial Owner. Pursuant to the City Lane Purchase Agreement, the Beneficial Owner will acquire the City Lane as necessary to complete the Development. The Nominee will be the registered owner of legal title to the City Lane and will hold legal title to the City Lane as nominee, bare trustee for the Beneficial Owner in respect of the portion of the City Lane required to complete the Development.

(ii) The Project will contain:

1. Development #1. Development #1 will be situated on Lot A and consist of the North Tower and the North Tower Amenity Space. The Developer will market and construct Development #1 on Lot A, and then subdivide Lot A into 322 Strata Lots and common property. **The Strata Lots and common property of the North Tower form the subject matter of this Disclosure Statement and the Development herein described;** and
2. Development #2. If, as and when constructed, Development #2 will be situated on Lot B and consist of the South Tower, the South Tower Amenity Space and the Commercial Component. Following construction of the South Tower, the South Tower Amenity Space and the Commercial Component, Lot B will be subdivided by the Lot B Air Space Parcel Plan to create the Commercial Air Space Parcels and the South Tower Remainder Lands. The South Tower Remainder Lands will contain the South Tower and the South Tower Amenity Space and be further subdivided by way of strata plan to create approximately 420 residential strata lots and common property,

(collectively, the “Project”).

An artist’s rendering of the approximate appearance and layout of the Project if, as and when fully constructed is attached hereto as **Exhibit “A”**.

2.1.2 General Description of the Development

The development to which this Disclosure Statement relates is the North Tower and is known as “**University District North**” will consist of 322 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. The Strata Lots offered for sale by the Developer pursuant to this Disclosure Statement will be contained in a building being:

- (a) Type of Building: The Development includes one building comprising a 28-storey concrete high rise with eight adjacent townhomes
- (b) Type of Construction: Steel Reinforced Poured Concrete
- (c) Strata Lots:
- (i) Number of Strata Lots: 322
- (ii) Type of Strata Lots:
- | | |
|---------------------------|------------|
| Studio / Junior 1 Bedroom | 50 |
| 1 Bedroom | 46 |
| 1 Bedroom & Den | 66 |
| Junior 2 Bedroom | 52 |
| 2 Bedroom | 100 |
| Townhome – 2 Bedroom | 3 |
| Townhome – 3 Bedroom | 5 |
| TOTAL STRATA LOTS | 322 |

The Developer reserves the right to increase or decrease the number, type and/or size of the Strata Lots from that shown on the Strata Plan attached hereto as **Exhibit "C"**. 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 is filed in the Land Title Office.

The current civic address for the Development is 13428 105 Avenue, Surrey, British Columbia, as well as the address for certain townhomes at the Development being 10468 University Drive, Surrey, British Columbia, however the final civic addresses will be finalized by the City at a later date and subject to change at the discretion of the City.

- (d) North Tower will provide its owners with the following facilities/amenities/building features:
- **Access to and use of the North Tower Amenity Space** featuring a children's play area;
 - **Access to and use of the South Tower Amenity Space** if, as and when Development #2 is proceeded with, including a bicycle pavilion; the Climate Controlled Storage and Parcel Delivery System; an indoor amenity facility containing potentially a fitness facility and kitchen with eating area, lounge area, play area, meeting room and multi-purpose room; an outdoor seating area, outdoor pool deck (budgeted for seasonal operation during daylight hours from mid-May to Mid-September) and a courtyard with seating;

- **BosaVolt Charging Stations** (subject to compliance with the terms of the Addendum/Amendment to Agreement of Purchase and Sale – Bosa Volt Charging Station and payment of the fee noted therein, a copy of which is attached hereto as **Exhibit “P”**);
- **Concierge Services** to be located within the North Tower lobby and relocated to the South Tower Amenity Space if as and when Development #2 is completed, and to be operated 7 days per week from 7:00 a.m. to 11:00 p.m.; and
- **Carshare Amenity** whereby the Developer will make one or more parking stalls (the “**Carshare Stall(s)**”) at the Project available to an independent third party carshare business to locate a carsharing vehicle for carshare rental services by residents of the Project and possibly the public (the “**Carshare Amenity**”). The Carshare Stalls are proposed to be located on Lot B, but notwithstanding the location of the Carshare Stalls, the Carshare Amenity will be available to residents of the Development whether or not the South Tower is constructed and residents of the North Tower will have access and easement rights accordingly.

The North Tower Amenity Space will be Common Property (as hereinafter defined) of the North Tower, but further to subsection (g) below, the residents of the North Tower and the South Tower, if, as and when the South Tower is constructed, will be permitted to use the North Tower Amenity Space pursuant to an Reciprocal Amenity Use and Cost Sharing Agreement between the Lot A owner and the South Tower Remainder Lands owner.

If, as and when Development #2 is constructed, the South Tower Amenity Space and the contents thereof will be Common Property (as hereinafter defined) of the South Tower, but further to subsection (g) below, the residents of the North Tower and the South Tower, if, as and when the South Tower is constructed, will be permitted to use the South Tower Amenity Space and the features therein, all pursuant to an Reciprocal Amenity Use and Cost Sharing Agreement between the Lot A owner and the South Tower Remainder Lands owner.

While the North Tower and the South Tower, if, as and when the South Tower is constructed, may each have its own facilities and amenities that will only be accessible and/or available to residents of the North Tower and the South Tower, respectively, such exclusive-use facilities and amenities will not affect the obligations of the owners of strata lots in the North Tower and the South Tower to contribute to the costs of the North Tower Amenity Space and the South Tower Amenity Space under the Reciprocal Amenity Use and Cost Sharing Agreement.

For clarity, owners/occupants of the Commercial Component, if, as and when Development #2 is constructed, will not be permitted to use the North Tower Amenity Space, the South Tower Amenity Space, the Concierge Services or the Climate Controlled Storage and Parcel Delivery System.

(e) Common Assets

- (i) **Manager’s Residence:** The North Tower will not contain a manager’s suite/residence.
- (ii) Any equipment, furniture or furnishings supplied to or installed in the North Tower by the Developer will become common assets of the Strata Corporation (including any leases for any such equipment and furniture or furnishings). Without limiting the

generality of the foregoing, pursuant to the terms of the Master Parking/Storage Agreement attached hereto as **Exhibit “H”**, 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 draft Strata Plan is attached as **Exhibit “C”**. The Strata Plan shows the layout of the North Tower 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 Strata Plan attached hereto as **Exhibit “C”**. 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 is filed in the Land Title Office.

(g) Shared Facilities/Amenities

It is intended that if, as and when the South Tower is constructed, use of the North Tower Amenity Space and the South Tower Amenity Space will be shared by the residents of the North Tower and the South Tower. Access to, egress from, use of and the cost sharing associated with the shared use of the North Tower Amenity Space and the South Tower Amenity Space and will be addressed by way of the Reciprocal Amenity Use and Cost Sharing Agreement. While the North Tower and the South Tower, if, as and when the South Tower is constructed, may each have its own facilities and amenities that will only be accessible to residents of the North Tower and the South Tower, respectively, such exclusive-use facilities and amenities will not affect the obligations of the owners of strata lots in the North Tower and the South Tower to contribute to the costs of the North Tower Amenity Space and the South Tower Amenity Space under the Reciprocal Amenity Use and Cost Sharing Agreement.

For clarity, owners/occupants of the Commercial Component, if, as and when Development #2 is constructed, will **not** be permitted to use the North Tower Amenity Space or the South Tower Amenity Space, the Concierge Services or The Climate Controlled Storage and Parcel Delivery System.

Associated companies with the Developer are the owners and developers of other properties which may be developed into residential high-rise projects in the future (the **“Future Developments”**). The Developer may propose to the Strata Corporation at some time in the future after the Project is completed that it consider entering into further reciprocal amenity use and cost sharing agreements between the Strata Corporation and other strata corporations created by entities related to the Developer in respect of one or more Future Developments (or the owners of strata lots therein). Such further reciprocal amenity use and cost sharing agreements would be similar to the Reciprocal Amenity Space and Cost Sharing Agreement and provide that residents of the Future Development(s) may access and use the South Tower Amenity Space and that residents of the Project may access and use the amenities offered at such Future Development(s), if, as and when Development #2 and the Future Development(s) are constructed. Whether or not the Strata Corporation enters into further reciprocal amenity use and cost sharing agreements with Future Developments will be an optional decision at the discretion of the Strata Corporation.

(h) Concierge

The Budget contemplates that the residents of the North Tower will have access to Concierge Services from 7:00 a.m. to 11:00 p.m., 7 days per week. It is currently contemplated that the concierge will be located at a concierge desk in the North Tower lobby, and then relocated to the South Tower Amenity Space, if as and when Development #2 is completed. The operating hours of the Concierge Services and the location of the concierge desk at the Project may change.

2.2 Permitted Use

The zoning applicable to North Tower is Comprehensive Development Zone (CD). The text of the applicable zoning bylaw is attached hereto as **Exhibit "O"**.

The intended usage of the Strata Lots is residential. There are other non-residential uses discussed in the text of the applicable zoning bylaw, but such uses are not intended for the Strata Lots. The use and any restriction on use of the Strata Lots within the North Tower is governed by the zoning bylaw of the City, the existing charges and encumbrances described in Section 4.3 hereof, the proposed charges and encumbrances described in Section 4.4 hereof, the *Strata Property Act* and the proposed bylaws of the Strata Corporation.

Further information concerning zoning and related matters may be obtained from the City of Surrey Planning and Development Department, Surrey City Hall, 13450 – 104 Avenue, Surrey, BC V3T 1V8, or through its website:

<https://www.surrey.ca/6974.aspx>

or through e-mail at planningdevelopment@surrey.ca

or by telephone at 604-591-4441

2.3 Phasing

The entire Development #1 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 INFORMATION3.1 Unit Entitlement

In section 1(1) of the *Strata Property Act*, unit entitlement ("**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 in the North Tower 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 “D”**. The actual unit entitlement may vary slightly from the figures shown in **Exhibit “D”** when the final strata survey plans are completed after construction.

3.2 Voting Rights

As North Tower contains only residential strata lots, each strata lot will have one (1) vote in meetings of owners of the Strata Lots.

3.3 Interest on Destruction

In accordance with the *Strata Property Act*, every owner’s share of the property and assets of the Strata Corporation in the event of its winding up will be determined on the basis of municipally assessed values, or appraised values, if there are no municipal assessments.

The Strata Corporation may be voluntarily wound up and the strata plan cancelled on application to the Registrar of the Land Titles Office by the owners, acting in unison. In the event of a winding up, the strata plan would be cancelled, the Strata Corporation dissolved and each owner’s interest in the owner’s strata lot, in the common Property and in the common assets of the Strata Corporation would be converted to an interest as a tenant in common with the other owners, in shares established pursuant to a conversion schedule based on the following formula:

$$\frac{\text{Most recent value of the owner's strata lot}}{\text{Most recent assessed value of the strata lots in the strata plan; excluding any strata lots held on behalf of the Strata Corporation}}$$

In the absence of a municipal assessment, value may be established by an independent appraisal, subject to approval by three quarters of the owners at a meeting of the Strata Corporation.

3.4 Common Property and Facilities

The common property includes any part of 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, bicycle/storage lockers, electrical rooms and electrical equipment, the District Energy System, garbage bin area, mail box area, garbage chutes and compactor, a recycling room, vehicular and pedestrian access routes, and amenity space, party room, fitness center, and lounge.

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 in the underground secured parking levels and the storage lockers at the Development will be a part of the Common Property of the Development, such parking and storage areas will be leased by the Developer to UD Parking. In accordance with the terms of the agreements of purchase and sale between purchasers and the Developer, the Developer will cause UD Parking to grant partial assignments 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 Section 3.7 through Section 3.9 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 for communication services. A draft copy of such lease is attached as **Exhibit "N"**.

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 licences, 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 the North Tower lobby area and North Tower Amenity Space.

In addition to the Common Property, the owners of certain Strata Lots will also be entitled to the benefit of the Parking Stalls Easement in order to access the Lot B Parking Stalls (as more particularly described in Section 3.7.

3.5 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 Strata Plan attached hereto as **Exhibit "C"** 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 North Tower may be designated as Limited Common Property. Reference should be made to **Exhibit "C"** as may be amended from time to time.

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

- (a) certain areas in the mechanical or electrical rooms located within of the North Tower 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 North Tower 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 somewhat in size and shape from the areas shown on **Exhibit "C"** when the final strata plan is filed in the Land Title Office. The Developer reserves the right to vary limited common property at the Development without notice 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.

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.

3.6 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 hereto as **Exhibit "G"**.

The amendments to the Standard Bylaws set forth in **Exhibit "G"** 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 "G"** 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 "G"** 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*.

3.7 Parking

Parking Stalls

The Development is expected to include approximately the following parking stalls:

184	Resident Parking Stalls
21	Visitor Parking Stalls
4	Disability Parking Stalls
209	Total Parking Stalls

The foregoing proposed parking stalls (the “**Development Parking Stalls**”) are intended to be constructed in a four-level underground parking facility at the Development.

Optional “P5” Parking Stalls

In addition to the aforementioned number of approximately 209 parking stalls to be located at the Development, the Developer may, at the Developer’s sole discretion, elect to construct an additional level of underground parking stalls at the Development, which could result in approximately up to 55 additional parking stalls which could be allocated to the Strata Lots (the “**Optional P5 Parking Stalls**”). The construction of the Optional P5 Parking Stalls will depend upon, among other things, various construction and market factors.

Lot B Parking Stalls

In addition to the parking stalls to be located at the Development, the Developer will secure the use of approximately 80 parking stalls (the “**Lot B Parking Stalls**”) by way of the Parking Stalls Easement, a draft copy of which is attached hereto as **Exhibit “R”**. The Lot B Parking Stalls will be located within an underground parking facility that will be within the property lines of Lot B and not the Development which is to be located within Lot A. It is intended that the Developer, as the registered owner of Lot A, will prior to the creation of the Strata Corporation license its interest in the Parking Stalls Easement to certain purchasers of the Strata Lots. Accordingly, it is intended that only those purchasers will be entitled to exercise the rights in respect of the Lot B Parking Stalls in accordance with the provisions of the Parking Stalls Easement. The Parking Stalls Easement may then be discharged from title to any Strata Lot which does not have the benefit of such license.

Access to Parking Stalls

Vehicular access to and from the Development Parking Stalls will be by way of an access/egress ramp and drive aisles, portions of which will be located on Lot B. The residents and guests of the Strata Lots will have the right to access and use such access/egress ramp and drive aisles by way of the Parking Access Easement, a copy of which is attached hereto as **Exhibit "S"**.

Allocation of Parking Stalls

All of the parking stalls (and storage lockers) in the underground parking facility at the Development will be leased by the Developer to UD Parking 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 and dated prior to the filing of the final Strata Plan and the creation of the Strata Corporation. Upon the deposit for registration of the Strata Plan of the North Tower, 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 "H"**.

If in accordance with 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 locker (s), the Developer will cause UD Parking to grant a partial assignment of the Master Parking/Storage Agreement pertaining to the applicable number of parking stalls and storage lockers to such purchasers. The form of Partial Assignment of Master Parking/Storage Agreement is attached hereto as **Exhibit "P"**.

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. The Developer reserves the right to vary the number and location of parking stalls and parking levels in the underground parking facility at the Development and the Project. Notwithstanding the Development Parking Stalls, the Optional P5 Parking Stalls and the Lot B Parking Stalls, not all of the Strata Lots will be allocated a parking space.

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.

In respect of the disability parking stalls, the Developer will cause UD Parking to grant a partial assignment of such parking stalls 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 Carshare Stalls providing for the Carshare Amenity will be surface parking stalls outside of the underground parking facility and therefore are in addition to the aforementioned parking stalls.

3.8 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 North Tower 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 is attached hereto as **Exhibit “P”**.

All rights to use the BVCSs will be transferred by the Developer to UD Parking pursuant to the Master Parking/Storage Agreement.

The Developer will cause UD Parking 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 form of 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”**) is attached hereto as **Exhibit “I”**.

It being understood by the Purchaser that:

- (a) the right to use the BVCS arises by way of contractual license and not by way of lease or any other interest in land; and
- (b) the right to use the BVCS and the parking stall in which it is situate cannot be assigned separately.

The power output and efficiency of each BVCS is dependent upon the number of BVCS systems that are connected to a particular junction box power source. The Developer currently plans to construct the Development with one BVCS junction box power source for every four parking stalls. Therefore the power output and efficiency of a BVCS will be greater if only one BVCS is operating for such four parking stalls, and lower if all four parking stalls are operating a BVCS. The purchase price of a BVCS remains the same regardless of this variable of power output and efficiency. Additionally, optimal power output, efficiency and cooperation between owners requires that all of the automotive charging systems in the underground parkade at the Development be of the same brand and model, therefore the BVCS will be the only automotive charging system permitted to be installed therein.

Upon the subdivision of the North Tower 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 North Tower 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.

3.9 Storage Lockers

The North Tower will contain approximately 135 storage lockers for general storage purposes and will be specially equipped for storage of a bicycle. Not all of the Strata Lots will be allocated a storage locker.

All of the storage areas to be constructed in the North Tower will be leased by the Developer to UD Parking pursuant to the Master Parking/Storage Agreement. Upon deposit for registration of the Strata Plan of the North Tower, 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 "H"**).

If the purchase and sale agreement for a Strata Lot includes a storage locker, then the Developer will cause UD Parking to grant a partial assignment of the said lease pertaining to a storage locker in respect of the purchase and sale of such Strata Lot. The form of partial assignment is attached hereto as **Exhibit "I"**. Additional storage lockers may be allocated by the Developer for the exclusive use of owners of Strata Lots by the Developer causing UD Parking 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 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.

Additional storage lockers may be available to be allocated to Strata Lots depending upon whether or not the Developer proceeds with the construction of the Optional P5 Parking Stalls. Notwithstanding the foregoing, not every Strata Lot will be allocated a Storage Locker.

3.10 Furnishings and Equipment

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

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

The size and manufacturer of the appliances will vary depending on whether applicable to a one-bedroom or two-bedroom or townhouse Strata Lot.

The Developer will purchase or enter into leases that will be assigned to and assumed by the Strata Corporation, in respect of:

- Furnishings and equipment for the North Tower lobby area; and
- Furnishings and equipment for the North Tower Amenity Space.

If purchased, 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* will be released upon payment in full of the Construction Financing obtained by the Developer.

3.11 Budget

An estimated budget of operating expenses for a typical full year of the Strata Corporation is attached as **Exhibit "E"** attached hereto. The estimated monthly assessment for each of the Strata Lots within the North Tower during the initial operating year is set out in **Exhibit "F"** hereto. The actual monthly assessments will be calculated upon the finalization of the Unit Entitlement as described in Section 3.1 above. The Strata Corporation will be required to maintain a Contingency Reserve Fund pursuant to Section 12 of the *Strata Property Act*. The Developer must establish the Contingency Reserve Fund pursuant to Section 12 of the Act and the Strata Lot owners will be required to increase the amount of the said fund in accordance with the Act.

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.

3.12 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 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 approximately \$48,095, which calculates to 5% of the Budget, as required by the *Strata Property Act*.

3.13 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 budgets. If the expenses accrued by the Strata Corporation for that period are greater than the operating expenses estimated in the 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 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 a 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 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 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.

3.14 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: garbage removal, utilities servicing the common property, the cost of maintaining sidewalks, the grounds, parking areas and any other common property. Additionally, heat and hot water at the Development will be provided by a district energy system (the "**District Energy System**") whereby the heat and hot water utility supply to the Development will be sourced by "Surrey City Energy", the cost of will be paid by the Strata Corporation and thereafter 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. The Estimated Operating Budgets attached hereto as **Exhibit "F"** includes estimated costs for heat and hot water service via the District Energy System and a schedule thereto showing the rates (from Surrey City Energy) and consumption figures under which such costs were estimated. For further information on the District Energy System, see Section 7.4(f). There will be no natural gas service to the Development.

For clarity, the Strata Corporation is responsible for paying the cost of utilities and other services for the Common Property and except as otherwise stated above, each Strata Lot owner is responsible for paying the cost of utilities and other services for their Strata Lot. The Development is located inside a municipality and will be serviced with water, electricity, sewerage, fire protection, telephone and vehicular and pedestrian access.

3.14.1 Communications Services

The Developer intends to enter into “access agreements” with Shaw Cable, TELUS Communications, Novus Communications or a competitor thereof in order to allow the occupants 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.

3.15 Strata Management Contracts

(a) Strata Management Company

The Developer intends to enter into a management contract with Martello Property Management, in substantially the forms attached hereto as **Exhibit “M”**, 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.

3.16 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 North Tower. Upon filing of the Strata Plan in the Land Title Office, the insurance that the Developer intends to 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.

3.17 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 hereto as Exhibit "J".

4. TITLE AND LEGAL MATTERS

4.1 Legal Description

The Strata Lots offered for sale by the Developer pursuant to this Disclosure Statement are located on lands civically known as 13419 and 13425 104th Avenue and 13410, 13420, 13430, 13440 and 13444 105th Avenue in the City of Surrey, British Columbia, and legally described as:

- (i) Parcel Identifier: 009-467-891, Lot 29 Except: Parcel A (Bylaw Plan 87435) Section 22 Block 5 North Range 2 West New Westminster District Plan 11141 ("Lot 29");

- (ii) Parcel Identifier: 009-467-939, Lot 30 Except: Part of Bylaw Plan 55687 Section 22 Block 5 North Range 2 West New Westminster District Plan 11141 (“**Lot 30**”);
 - (iii) Parcel Identifier: 007-556-365, Lot 44 Section 22 Block 5 North Range 2 West New Westminster District Plan 15002 (“**Lot 44**”);
 - (iv) Parcel Identifier: 010-040-323, Lot 45 Section 22 Block 5 North Range 2 West New Westminster District Plan 15002 (“**Lot 45**”);
 - (v) Parcel Identifier: 010-040-340, Lot 46 Section 22 Block 5 North Range 2 West New Westminster District Plan 15002 (“**Lot 46**”);
 - (vi) Parcel Identifier: 010-040-404, Lot 47 Except: 1715 Square Feet (Bylaw Plan 55687) Section 22 Block 5 North Range 2 West New Westminster District Plan 15002 (“**Lot 47**”); and
 - (vii) the City Lane,
- (collectively, the “**Lands**”),

which the Developer intends to cause to be assembled and subdivided substantially in accordance with the Subdivision Plan to create Lot A and Lot B, with the North Tower and the North Tower Amenity Space constructed on Lot A.

4.2 Ownership

The Nominee is the registered owner of legal title to Lot 29, Lot 30, Lot 44, Lot 45, Lot 46 and Lot 47. The Beneficial Owner has made arrangements to own the portion of the Lands that will be assembled and subdivided to form Lot A. The Nominee will continue to be the registered owner of legal title to Lot A, which legal title the Nominee will hold as nominee, bare trustee and agent for the Beneficial Owner. Pursuant to the City Lane Purchase Agreement, the Beneficial Owner will acquire the City Lane as necessary to complete the Development. The Nominee will be the registered owner of legal title to the City Lane and will hold legal title to the City Lane as nominee, bare trustee for the Beneficial Owner in respect of the portion of the City Lane required to complete the Development.

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 the title, namely:

Lot 29 and Lot 30

- (i) This title may be affected by a permit under Part 26 of the *Local Government Act*, See CA3349293 Expires 2016-06-17. This is a temporary use permit issued by the City on June 17, 2013. As noted, it expired on June 17, 2016.

- (b) the encumbrances registered against title:

Lot 29, Lot 30, Lot 44, Lot 45, Lot 46 and Lot 47

- (i) Mortgage CA2326575 (the “**SCDC Mortgage**”) in favour of Surrey City Development Corporation (“**SCDC**”). This encumbrance will be discharged prior to the conveyance of Strata Lots to purchasers.
- (ii) Mortgage CA2404302 and Assignment of Rents CA2404303 (together, the “**First HSBC Mortgage**”) in favour of HSBC Bank Canada (“**HSBC**”). This encumbrance will be discharged prior to the conveyance of Strata Lots to purchasers.
- (iii) Priority Agreements CA2404317 and CA2404318. These priority agreements grant the First HSBC Mortgage priority over the SCDC Mortgage.
- (iv) Mortgage CA2977741 and Assignment of Rents CA2977742 (together, the “**Second HSBC Mortgage**”) in favour of HSBC. This encumbrance will be discharged prior to the conveyance of Strata Lots to purchasers.
- (v) Priority Agreements CA2977835 and CA2977836. These priority agreements grant the Second HSBC Mortgage priority over the SCDC Mortgage.

Lot 29

- (vi) Statutory Right of Way BB1978091 in favour of the British Columbia Hydro and Power Authority (“**BC Hydro**”). This encumbrance is a statutory right of way which permits BC Hydro access to and use of a specified right of way area being that portion of Lot 29 shown outlined in heavy black on Plan BCP49042 to construct and maintain all things and components necessary or convenient for the purpose of transmitting and distributing electricity and for the purpose of telecommunications.
- (vii) Statutory Right of Way BB4061595 in favour of the City over that portion of Lot 29 shown outlined in bold on Plan EPP30178 containing 6.3 m². This encumbrance is a statutory right of way in favour of the City, to: (i) enter in, over, under and upon and to have access to and egress from the statutory right of way area for the purpose of constructing, altering, replacing, repairing, upgrading, testing, flooding, maintaining, operating, carrying out, using and servicing a public walkway and utility and service connection works and infrastructure, including, without limitation, sanitary and storm sewer connections, water shutoffs and sanitary and storm sewer inspection chambers; and (ii) use and invite the public to use the statutory right of way area for the purpose of public rights of passage without motorized vehicles.
- (viii) Priority Agreement BB4061596. This priority agreement grants Statutory Right of Way BB4061596 priority over the SCDC Mortgage, the First HSBC Mortgage and the Second HSBC Mortgage (collectively, the “**Mortgages**”).
- (ix) Statutory Right of Way BB4061597 in favour of the City over that portion of Lot 29 shown outlined in bold on Plan EPP30177 containing 75.1 m². This encumbrance is a statutory right of way in favour of the City, to: (i) enter in, over, under and upon and to have access to and egress from the statutory right of way area for the purpose of constructing, altering, replacing, repairing, upgrading, testing, flooding, maintaining, operating, carrying out, using and servicing a public walkway and utility and service

connection works and infrastructure, including, without limitation, sanitary and storm sewer connections, water shutoffs and sanitary and storm sewer inspection chambers; and (ii) use and invite the public to use the statutory right of way area for the purpose of public rights of passage without motorized vehicles.

- (x) Priority Agreement BB4061598. This priority agreement grants Statutory Right of Way BB4061597 priority over the Mortgages.

Lot 30

- (xi) Statutory Right of Way BB1340126 in favour of TELUS Communications Inc. (“TELUS”). This encumbrance is a statutory right of way that permits TELUS to place, operate, maintain and remove on, under and over Lot 30 one or more cables for telecommunications, data transmission, power and grounding, underground ducts, above and below ground equipment enclosures and related works.
- (xii) Statutory Right of Way BB4061599 in favour of the City over that portion of Lot 30 shown outlined in bold on Plan EPP30177. This encumbrance is a statutory right of way in favour of the City, to: (i) enter in, over, under and upon and to have access to and egress from the statutory right of way area for the purpose of constructing, altering, replacing, repairing, upgrading, testing, flooding, maintaining, operating, carrying out, using and servicing a public walkway and utility and service connection works and infrastructure, including, without limitation, sanitary and storm sewer connections, water shutoffs and sanitary and storm sewer inspection chambers; and (ii) use and invite the public to use the statutory right of way area for the purpose of public rights of passage without motorized vehicles.
- (xiii) Priority Agreement BB4061600. This priority agreement grants Statutory Right of Way BB4061599 priority over the Mortgages.
- (xiv) Statutory Right of Way BB4061601 in favour of the City over that portion of Lot 30 shown outlined in bold on Plan EPP30178. This encumbrance is a statutory right of way in favour of the City, to: (i) enter in, over, under and upon and to have access to and egress from the statutory right of way area for the purpose of constructing, altering, replacing, repairing, upgrading, testing, flooding, maintaining, operating, carrying out, using and servicing a public walkway and utility and service connection works and infrastructure, including, without limitation, sanitary and storm sewer connections, water shutoffs and sanitary and storm sewer inspection chambers; and (ii) use and invite the public to use the statutory right of way area for the purpose of public rights of passage without motorized vehicles.
- (xv) Priority Agreement BB4061602. This priority agreement grants Statutory Right of Way BB4061601 priority over the Mortgages.

Lot 44

- (xvi) Statutory Right of Way BB4061611 in favour of the City of over that portion of Lot 44 outlined in bold on Plan EPP30177 containing 37.5 m². This encumbrance is a statutory right of way in favour of the City, to: (i) enter in, over, under and upon and to have access to and egress from the statutory right of way area for the purpose of constructing, altering, replacing, repairing, upgrading, testing, flooding, maintaining, operating,

carrying out, using and servicing a public walkway and utility and service connection works and infrastructure, including, without limitation, sanitary and storm sewer connections, water shutoffs and sanitary and storm sewer inspection chambers; and (ii) use and invite the public to use the statutory right of way area for the purpose of public rights of passage without motorized vehicles.

- (xvii) Priority Agreement BB4061612. This priority agreement grants Statutory Right of Way BB4061611 priority over the Mortgages.

Lot 45

- (xviii) Statutory Right of Way BB4061609 in favour of the City of over that portion of Lot 45 outlined in bold on Plan EPP30177 containing 37.5 m2 (. This encumbrance is a statutory right of way in favour of the City, to: (i) enter in, over, under and upon and to have access to and egress from the statutory right of way area for the purpose of constructing, altering, replacing, repairing, upgrading, testing, flooding, maintaining, operating, carrying out, using and servicing a public walkway and utility and service connection works and infrastructure, including, without limitation, sanitary and storm sewer connections, water shutoffs and sanitary and storm sewer inspection chambers; and (ii) use and invite the public to use the statutory right of way area for the purpose of public rights of passage without motorized vehicles.

- (xix) Priority Agreement BB4061610. This priority agreement grants Statutory Right of Way BB4061609 priority over the Mortgages.

Lot 46

- (xx) Statutory Right of Way BB4061607 in favour of the City of over that portion of Lot 46 containing 37.5 m2. This encumbrance is a statutory right of way in favour of the City, to: (i) enter in, over, under and upon and to have access to and egress from the statutory right of way area for the purpose of constructing, altering, replacing, repairing, upgrading, testing, flooding, maintaining, operating, carrying out, using and servicing a public walkway and utility and service connection works and infrastructure, including, without limitation, sanitary and storm sewer connections, water shutoffs and sanitary and storm sewer inspection chambers; and (ii) use and invite the public to use the statutory right of way area for the purpose of public rights of passage without motorized vehicles.

- (xxi) Priority Agreement BB4061608. This priority agreement grants Statutory Right of Way BB4061607 priority over the Mortgages.

Lot 47

- (xxii) Statutory Right of Way BB4061603 in favour of the City of over that portion of Lot 47 shown outlined in bold on Plan EPP30177. This encumbrance is a statutory right of way in favour of the City, to: (i) enter in, over, under and upon and to have access to and egress from the statutory right of way area for the purpose of constructing, altering, replacing, repairing, upgrading, testing, flooding, maintaining, operating, carrying out, using and servicing a public walkway and utility and service connection works and infrastructure, including, without limitation, sanitary and storm sewer connections, water shutoffs and sanitary and storm sewer inspection chambers; and (ii) use and invite the

public to use the statutory right of way area for the purpose of public rights of passage without motorized vehicles.

- (xxiii) Priority Agreement BB4061604. This priority agreement grants Statutory Right of Way BB4061603 priority over the Mortgages.
- (xxiv) Statutory Right of Way BB4061605 in favour of the City over that portion of Lot 47 shown outlined in bold on Plan EPP30178. This encumbrance is a statutory right of way in favour of the City, to: (i) enter in, over, under and upon and to have access to and egress from the statutory right of way area for the purpose of constructing, altering, replacing, repairing, upgrading, testing, flooding, maintaining, operating, carrying out, using and servicing a public walkway and utility and service connection works and infrastructure, including, without limitation, sanitary and storm sewer connections, water shutoffs and sanitary and storm sewer inspection chambers; and (ii) use and invite the public to use the statutory right of way area for the purpose of public rights of passage without motorized vehicles.
- (xxv) Priority Agreement BB4061606. This priority agreement grants Statutory Right of Way BB4061605 priority over the Mortgages.

City Lane

- (xxvi) Undersurface and Other Exc & Res BB4063913 (Section 50 Land Act, See BB4064643 and Section 35 Community Charter cancelled as to Right of Resumption, See CA3415089) in favour of the Crown in Right of British Columbia. This reservation was registered when the City closed a highway or portion and removed its dedication. It reserves in favour of the Crown in Right of British Columbia the exceptions and reservations contained in Section 50 of the Land Act (British Columbia).
- (xxvii) Statutory Right of Way CA7086263 in favour of the City over that portion of the City Lane shown outlined in bold on Plan EPP79102. This encumbrance is a statutory right of way in favour of the City, to enter freely and without interruption in, over, under and upon the statutory right of way area (the “**SRW Area**”) at all times for the purpose of: (i) inspecting, constructing, extending, excavating, altering, replacing, repairing, upgrading, installing, protecting, surveying, brushing, testing, cleaning, clearing, flooding, maintaining, operating, carrying out, using and servicing all or any part of the City’s works for the purpose of utility and service connection, including sanitary and storm sewer connections, water shutoffs, sanitary and storm sewer inspection chambers, together with all ancillary attachments, fillings and related appurtenances (the “**City Lane Works**”); and (ii) a work area to facilitate inspecting, constructing, extending, excavating, altering, replacing, repairing, upgrading, installing, protecting, surveying, brushing, testing, cleaning, clearing, flooding, maintaining, operating, carrying out, using and servicing works and infrastructure that are or may in the future be located on, under, over or within dedicated highway, dedicated park, City-owned land or an area of land that the City has a statutory right of way interest in that is immediately adjacent to and abutting the statutory right of way area.
- (xxviii) Covenant CA7086264 in favour of the City. This encumbrance is a covenant under Section 219 of the *Land Title Act*. The Covenant provides that the owner of the City Lane: (i) will use the City Lane in accordance with the terms of the Covenant; (ii) will

not at any time construct, install or otherwise put in place or suffer the construction, installation or putting in place otherwise of any buildings or other structures or improvements on, over or under the SRW Area except for a parkade beneath the surface of the SRW Area as shown on the approved drawings for Development Permit Number 7918-0058-00 prepared by ZGF Architects Inc., provided that the owner covenants and agrees to maintain the parkade in a good and workmanlike manner to support the City Lane Works; (iii) will not damage the City Lane Works, and that if the owner does cause any damage to the City Lane Works, the owner shall forthwith repair the same; (iv) will not obstruct, or permit the existence of any obstruction of, the SRW Area or plant any tree, hedge or shrubbery on any part of the SRW Area without first obtaining the consent, in writing, of the City; (v) will not remove support for the SRW Area or the City Lane Works and will not diminish nor increase the soil cover within the SRW Area without first obtaining the consent in writing of the City; and (vi) will not use the SRW Area for any purpose that, in the opinion of the City Engineer, may interfere with the City Lane Works, damage or destroy them, impair their operation, obstruct access to them, create any hazard or interfere with or interrupt the use of the SRW Area.

4.4 Proposed Encumbrances

The Developer proposes to register the following encumbrances against title 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 owner of Lot B will grant an access easement to the Developer, as owner of the North Tower, permitting residents of the North Tower the right to access and use the driveway, vehicular ramp and related improvements to be constructed on Lot B for the purposes of providing vehicular access to and egress from the parking facilities in the North Tower.
- (e) The Developer may enter into one or more access and cost sharing agreement(s) with respect to the shared access and use of the North Tower Amenity Space and / or the South Tower Amenity Space, or in respect of Future Developments, including the Reciprocal Amenity Use and Cost Sharing Agreement;
- (f) The Developer may enter into additional easements and cost sharing agreements for the sharing of the South Tower Amenity Space;

- (g) The Developer may enter into road works construction, crane swing and underpinning easement agreements with neighbouring property owners, including, but not limited to, Great Investments Ltd. and the City;
- (h) The Developer may enter into a lease agreement on behalf of the Strata Corporation for the lease of an entry phone system, a video surveillance system and/or the Climate Controlled Storage and Parcel Delivery System, in which event the monthly lease costs will be shown in the Budget attached hereto as **Exhibit "E"**;
- (i) 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 North Tower 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;
- (j) Modifications or replacements of the existing encumbrances registered against title to the Lands and priority agreements with respect thereto as may be necessary or desirable to complete the Development;
- (k) The Developer will grant a right of access to the underground parking facility and the electrical power and supply panels at the Development for the purpose of the Developer or its representative, agents, contractors and/or subcontractors installing BVCS during the term of the Master Parking/Storage Agreement; and
- (l) The Developer will grant a right of access to the Common Property to the Developer, its general contractor, and the subcontractors thereof, to be used as required in construction of the South Tower.

4.5 Outstanding or Contingent Litigation or Liabilities

There is no outstanding or contingent litigation or liability in respect of the North Tower or the Lands or against the Developer that may affect the Strata Corporation or Strata Lot owners.

4.6 Environmental Matters

The Developer is not aware of any material facts relating to flooding, the condition of the soil and subsoil of the North Tower. The Developer will comply with existing environmental laws in removing or treating any environmental contaminants found in or on the Lands and remediating the Lands as required by the British Columbia Ministry of Environment.

5. CONSTRUCTION

5.1 Construction Date

The estimated date range for commencement of construction of the North Tower sometime between April 15, 2019 and July 15, 2019.

The estimated date range for completion of construction of the North Tower is sometime between September 15, 2022 and December 15, 2022.

Purchasers should note that these dates are estimates only and the actual dates for commencement and completion of construction the Development may vary based on construction factors or market conditions and the actual dates for commencement and completion of construction for the Development are subject to the provisions of the applicable agreements of purchase and sale for the Strata Lots.

5.2 Warranties

Construction Warranties

The labour and materials warranties on North Tower 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 North Tower and obtain readings from measuring devices.

5.3 Previously Occupied Building

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

6. APPROVAL AND FINANCES

6.1 Development Approval

In connection with the Lands, the City authorized Development Permit Number No. 7918-0058-00 on October 1, 2018.

The Developer is marketing the North Tower under Policy Statement 5 and Policy Statement 6 (see pages 3 and 4 of this Disclosure Statement for further information).

A building permit for the Development has not yet been issued by the City. The estimated date for issuance of a building permit is April 15, 2019. 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.

Purchasers should note that the foregoing date is an estimate only and the actual date for obtaining the building permit may change based on construction factors or market conditions and the actual date may be earlier or later than the estimated date stated above.

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**") 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 April 15, 2019. The Developer is marketing the Development under Policy Statement 5 and Policy Statement 6 (see pages 3 and 4 of this Disclosure Statement).

Purchasers should note that the foregoing date is an estimate only and the actual date for obtaining the adequate financing commitment may change based on construction factors or market conditions and the actual date may be earlier or later than the estimated date stated above.

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 specified in the purchaser’s contract of purchase and sale. A copy of section 18 (handling deposits) of the *Real Estate Development Marketing Act* is attached hereto as **Exhibit “K”**.

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 purchaser 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 hereto as **Exhibit “K”**), 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 Agreement of Purchase and Sale (defined in Section 7.2.1).

7.2 Agreement of Purchase and Sale

7.2.1 Form of Agreement of Purchase and Sale

The form of agreement of purchase and sale (the “**Agreement of Purchase and Sale**”) to be used for the sale of the Strata Lots will be substantially in the form attached hereto as **Exhibit “L”**. The Developer in this Section 7.2 is referred to as the “Vendor” to be consistent with the terms of the Agreement of Purchase and Sale. The defined term “Purchaser” under this Section 7.2 is a reference to the purchaser under the Agreement of Purchase and Sale. The form of the Agreement of Purchase and Sale may be modified from time to time by the Developer and may be modified by agreement between any purchaser and the Developer.

7.2.2 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 Conveyancer 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 North Tower, 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 March 15, 2024 (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) of the Agreement of Purchase and Sale.

The Completion Date will be established by the Vendor in accordance with Section 4.1 of the Agreement of Purchase and Sale notwithstanding that the estimated date for completion of construction of the North Tower as set out in this Disclosure Statement or any amendment thereto (the “**Estimated Construction Completion Date**”). 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 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 the Agreement of Purchase and Sale.

- (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 5%, there will be no adjustment to the Purchase Price to reflect same. If the Variance exceeds 5%, 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 5%. If the Variance exceeds 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 Section “**Adjustment Factor**” means the price per square foot determined by dividing the Purchase Price noted in Section 1.01 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 two hundred seventy-five (275) of the Strata Lots on or before July 15, 2019. 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; and
 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,

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 subsection 9.1(b) of the Agreement of Purchase and Sale, the Vendor may thereafter elect to terminate this Agreement pursuant to subsection 9.1(a) of the Agreement of Purchase and Sale or permit a further extension pursuant to subsection 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, 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.

7.2.3 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 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 the later of: (a) three hundred sixty five (365) days after the date of the applicable Agreement of Purchase and Sale, or (b) the payment of the Fourth Deposit (as defined in 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.

7.2.4 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 Section 4.1 or 5.2 of the Agreement of Purchase and Sale, then the Deposit together with any 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 together with any interest accrued thereon 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.

7.2.5 Limited Offerings

The Developer may, in its sole discretion, from time to time and at any time elect to offer purchase incentives to purchaser of 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 "**University District North**" Strata Lots 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 7.2.5. 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 commitments in whole or in part and purchasers relying on these commitments 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 3.15;
2. a lease agreement on behalf of the Strata Corporation for the lease of an entry phone system, the video surveillance system, and similar equipment in which event the monthly lease costs will be shown in the Budget attached hereto as **Exhibit "E"**;
3. a lease of certain portions of the roof areas of the North Tower on substantially the terms and conditions attached hereto as **Exhibit "N"**;
4. maintenance and rental agreement or agreements or leases with respect to certain Common Property equipment and facilities, for example a pool maintenance agreement, exercise/fitness equipment leases and maintenance agreements, and the Climate Controlled Storage and Parcel Delivery System lease and maintenance agreement, in which event the costs will be shown in the Budget attached hereto as **Exhibit "E"**;
5. the agreement(s) and/or lease(s) in respect of the Carshare Amenity / Carshare Stalls;
6. the fire alarm system monitoring agreement;
7. agreements with and easements in favour of the adjacent land owners;
8. any unregistered agreements required by the City in order to approve all development, building and occupancy permits required in respect of the development of Lot A or North Tower;
9. certain agreements set out in Sections 4.3 and 4.4;
10. marketing license agreement as described in Section 7.4;
11. crane swing license, easement agreement and/or a reciprocal easement/shoring agreement with respect to the construction of adjacent developments; and
12. agreements the Developer believes are for the benefit of the Project, the Strata Corporation and the 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 "E"**.

(b) View Corridors and Construction of Nearby Developments

North Tower is located in a neighbourhood where further higher density developments may be constructed in accordance with the applicable zoning, permits and community plan of the City. The view corridors of the North Tower may be adversely impacted by such further developments, including but not limited to the South Tower, if, as and when Development #2 is constructed. Additionally, construction related activities in the area may create noise transmissions which may be audible by occupants of the Strata Lots. The release of construction-related dust may also impact occupants of the Strata Lots.

(c) Operation of Nearby Skytrain Line

North Tower is located near the elevated transit route of the "Surrey Central" Skytrain line. The transit related activities may create noise transmissions which may be audible by occupants of the Strata Lots.

(d) 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(b).

(e) 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 North Tower, marketing sales activities within the Common Property and any Strata Lots owned or leased by the developer, including without limitation, maintaining display suites for North Tower, other display area, parking areas and signage and permitting public access to same. In addition, the Developer may conduct tours of the North Tower from time to time with prospective purchasers and hold events and other activities within the North Tower 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 "G"**. 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.

(f) District Energy System

The City has established "Surrey City Energy" with the goal of developing shared energy infrastructure platforms to establish the District Energy System to provide heating and/or cooling for multiple buildings in dense urban areas. The District Energy System provides 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, the District Energy System generally benefits 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. The City requires that the Development's heat and hot water utility supply system be provided by the District Energy System.

For more information regarding "Surrey City Energy" and District Energy Systems generally, purchasers may visit the City website page featuring summary and a video explanation at: <https://www.surrey.ca/community/3475.aspx>. Or contact a "Surrey City Energy" representative by e-mail at JOwen@surrey.ca

- (g) Owners of the Strata Lots and owners of the strata lots in the South Tower may share certain expenses in respect of operating, maintaining and repairing the Project on an equitable basis as will be set forth in one or more easement and cost sharing agreements. Such expenses may include for example costs associated with certain landscaping and courtyard maintenance, repairing parking gates, maintaining drive aisles, etc. The terms upon which such expenses are shared will be set forth in such easement and cost sharing agreements.

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 North Tower referred to above as required by the *Real Estate Development Marketing Act* of British Columbia as of October 17, 2018.

SIGNED this 17th day of October, 2018.

BLUESKY PROPERTIES (UD LANDS) INC.


Per: _____

Authorized Signatory
Dale Bosa, President & Director



Dale Bosa, President & Director



Colin Bosa, Director

SOLICITOR'S CERTIFICATE

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

BLUESKY PROPERTIES (UD LANDS) IN. and BLUESKY PROPERTIES (UD NORTH) INC.,


for property situate at lands civically known as 13419 and 13425 104th Avenue and 13410, 13420, 13430, 13440 and 13444 105th Avenue in the City of Surrey, British Columbia, and legally described as:

- (i) Parcel Identifier: 009-467-891, Lot 29 Except: Parcel A (Bylaw Plan 87435) Section 22 Block 5 North Range 2 West New Westminster District Plan 11141;
- (ii) Parcel Identifier: 009-467-939, Lot 30 Except: Part of Bylaw Plan 55687 Section 22 Block 5 North Range 2 West New Westminster District Plan 11141;
- (iii) Parcel Identifier: 007-556-365, Lot 44 Section 22 Block 5 North Range 2 West New Westminster District Plan 15002;
- (iv) Parcel Identifier: 010-040-323, Lot 45 Section 22 Block 5 North Range 2 West New Westminster District Plan 15002;
- (v) Parcel Identifier: 010-040-340, Lot 46 Section 22 Block 5 North Range 2 West New Westminster District Plan 15002;
- (vi) Parcel Identifier: 010-040-404, Lot 47 Except: 1715 Square Feet (Bylaw Plan 55687) Section 22 Block 5 North Range 2 West New Westminster District Plan 15002; and
- (vii) Parcel Identifier: 029-182-107, That Part of Section 22 Block 5 North Range 2 West New Westminster District Plan BCP52120,

and the project to be constructed thereon to be known as "University District North"

I, Mario Rubio, Solicitor, a member of the Law Society of British Columbia, having read over the above described Disclosure Statement dated the 17th day of October, 2018, 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 17th day of October, 2018.



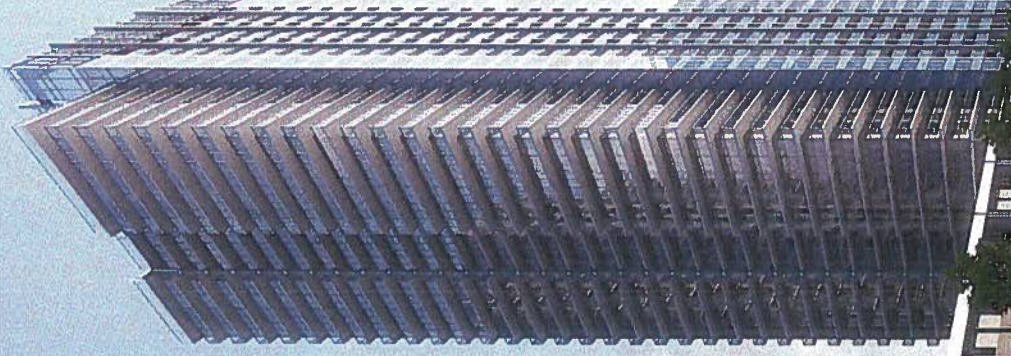
 MARIO RUBIO

EXHIBIT "A"

PROPOSED PROJECT CONCEPT PLAN

(See Next Page)

South Tower



The Development / North Tower

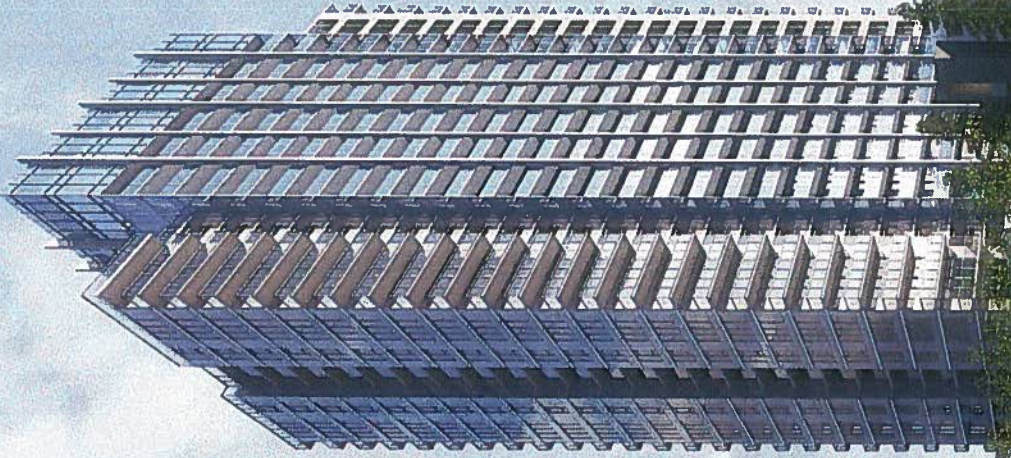
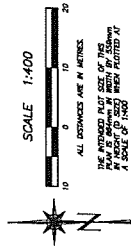


EXHIBIT "B"

PROPOSED SUBDIVISION PLAN

(See Next Page)

- SUBDIVISION PLAN OF**
- LOT 29, EXCEPT PARCEL A (BYLAW PLAN 87435), PLAN 11141;
 - PARCEL A (BYLAW PLAN 87435), LOT 29, PLAN 11141;
 - LOT 30, EXCEPT PART OF BYLAW PLAN 55687, PLAN 11141;
 - PART 0.169 ACRES (BY-LAW PLAN 55687) OF LOT 30, PLAN 11141;
 - LOTS 44, 45 AND 46, PLAN 15002;
 - LOT 47, EXCEPT 1715 SQUARE FEET (BYLAW PLAN 55687), PLAN 15002;
 - PARCEL A (BYLAW PLAN 55687) OF LOT 47, PLAN 15002;
 - THAT PART OF SECTION 22, BLOCK 5, NORTH,
 - RANGE 2 WEST, N.W.D., SHOWN ON PLAN BCP52120;
 - ALL OF SECTION 22, BLOCK 5, NORTH, RANGE 2 WEST, N.W.D.
- B.C.G.S. 926.016



INTEGRATED SURVEY AREA No. 1
SUBJECT: 1402.83
(SRS) - 1402.83.1.GARD
LAW ZONE IV

THE LINES SHOWN ARE ESTIMATED HORIZONTAL POSITIONS FROM THE MOST RECENT AVAILABLE COMPARISON AND ADJUSTED TO THE MOST RECENT AVAILABLE CONTROL. THE PLAN SHOWS APPROXIMATE POSITIONS OF THE LINES AS SHOWN ON THE PLAN. THE PLAN SHOWS APPROXIMATE POSITIONS OF THE LINES AS SHOWN ON THE PLAN. THE PLAN SHOWS APPROXIMATE POSITIONS OF THE LINES AS SHOWN ON THE PLAN.

LEGEND

- - DOWNS CONTROL MONUMENT FOUND
 - - DOWNS STAKED MONUMENT FOUND
 - - DOWNS LEAD PILE FOUND
 - - DOWNS STAKED MONUMENT FOUND
 - ◇ - DOWNS LEAD PILE FOUND
 - - DOWNS NOT SUITABLE FOR POSTING
- THIS PLAN SHOWS ONE OR MORE MONUMENTS FOUND AND THE POSITION OF THE PROPERTY CORNER. THESE MONUMENTS WERE FOUND BY THE PROPERTY CORNER FIELD SURVEYOR.

CONTROL MONUMENT	NOTING	DATE	COMMANDED FACTOR
2170830	144782.00E	5/12/2025	0.8992316
2170831	144782.00E	5/12/2025	0.8992316
2170832	144782.00E	5/12/2025	0.8992316

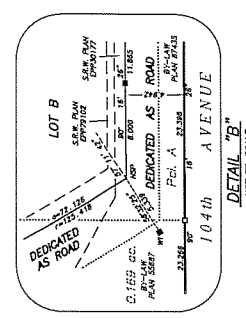
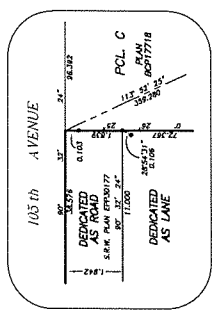
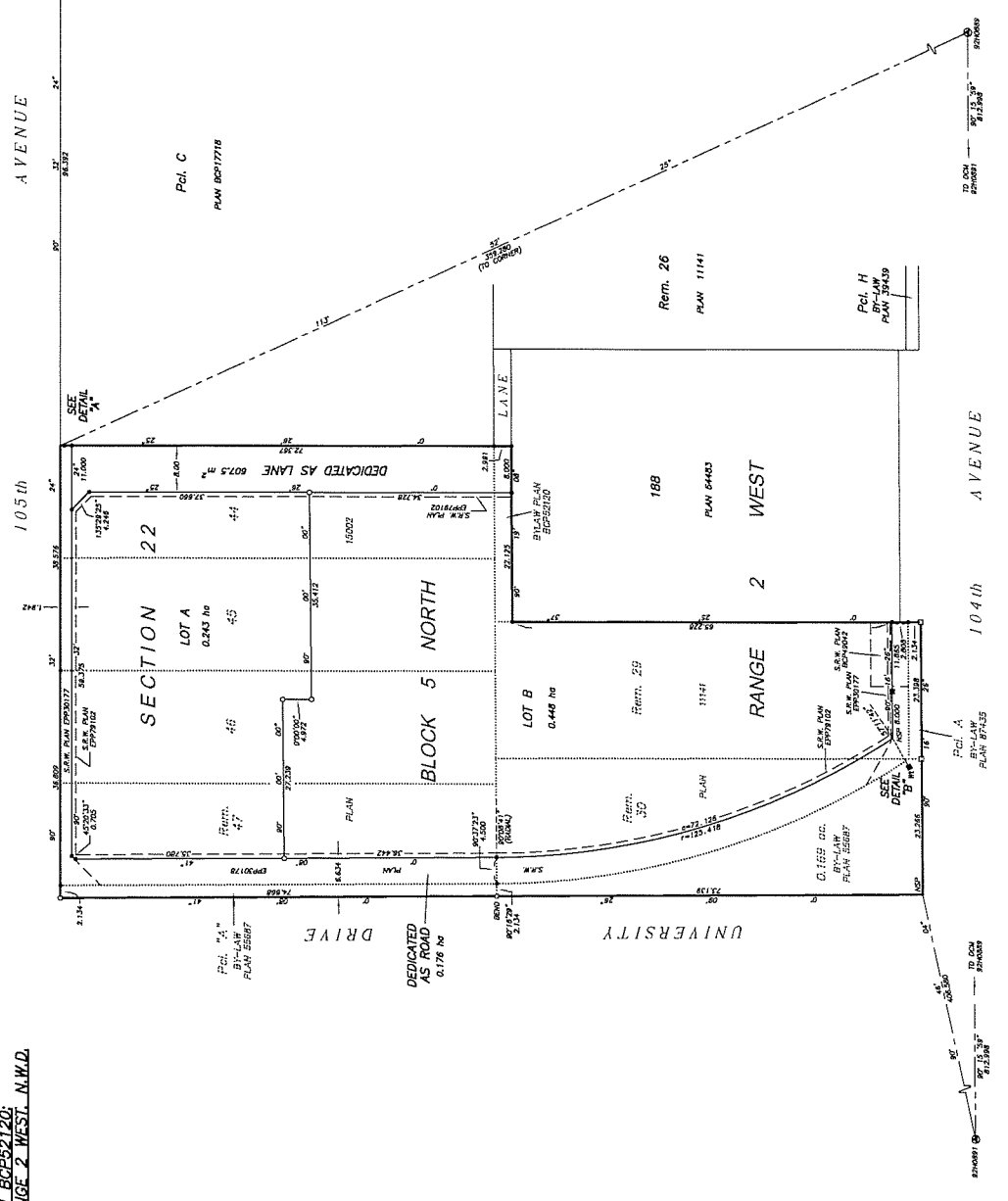
NOTE: FOR IMPROVED PURPOSES ONLY.

A COPY OF THIS PLAN, IN THE NAME OF THE SURVEYOR, IS ON FILE IN THE OFFICE OF THE SURVEYOR, 11, 2018.

THE FIELD SURVEY REPRESENTED BY THIS PLAN WAS CONDUCTED BY THE SURVEYOR, 11, 2018.

ALL A CORNER MONUMENTS WERE FOUND AND THE POSITION OF THE PROPERTY CORNER WAS DETERMINED BY THE SURVEYOR, 11, 2018.

THE PLAN SHOWS APPROXIMATE POSITIONS OF THE LINES AS SHOWN ON THE PLAN.



THIS PLAN LIES WITHIN THE METRO VANCOUVER REGIONAL DISTRICT

EXHIBIT "C"

PROPOSED STRATA PLAN

(See Next Page)

**PRELIMINARY STRATA PLAN OF LOT A, SECTION 22,
BLOCK 5 NORTH, RANGE 2 WEST, N.W.D., PLAN EPP79101.**

"CITY OF SURREY"



SCALE 1:300



ALL DISTANCES ARE IN METRES.

"UNIVERSITY DISTRICT 2"
105th AVENUE
SURREY, B.C.

LEGEND

- SL - DENOTES STRATA LOT
- PT - DENOTES PART
- Ⓢ - DENOTES COMMON PROPERTY
- Ⓜ - DENOTES MECHANICAL SHAFT BEING COMMON PROPERTY
- ⓔ - DENOTES ELECTRICAL ROOM BEING COMMON PROPERTY
- Ⓥ - DENOTES VENT BEING COMMON PROPERTY
- Ⓟ - DENOTES PLANTER BEING COMMON PROPERTY
- VEST. - DENOTES VESTIBULE
- Ⓟ - DENOTES BALCONY BEING LIMITED COMMON PROPERTY FOR THE EXCLUSIVE USE OF SL 8
- Ⓟ - DENOTES RATIO BEING LIMITED COMMON PROPERTY FOR THE EXCLUSIVE USE OF SL 1
- Ⓟ - DENOTES ROOF DECK BEING LIMITED COMMON PROPERTY FOR THE EXCLUSIVE USE OF SL 300

INFORMATION SHOWN IS BASED ON DIGITAL DATA RECEIVED FROM ZGF ARCHITECTS INC. OCTOBER 3, 2018 (LEVELS 2 AND ABOVE) AND OCTOBER 15, 2018 (PARKING LEVELS AND LEVEL 1).

BENNETT LAND SURVEYING LTD.
B.C. & CANADA LAND SURVEYORS
400-132nd STREET,
SURREY, B.C.
PHONE: 604-582-0717

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FILE # 30870-12 FS 82
DATE: OCTOBER 16, 2018

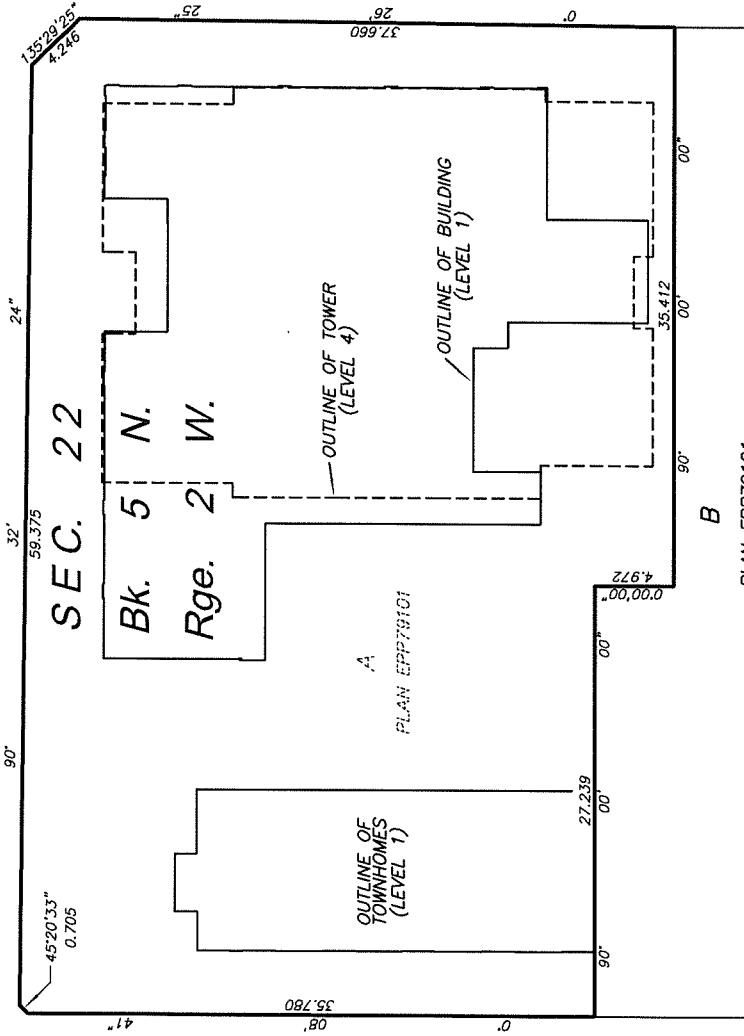
NOTE:

STRATA LOT BOUNDARIES ARE DEFINED AS 0.025 METRES (ONE Tenth) IN FROM THE EXTERIOR FACE OF WALLS EXCEPT WHERE THE STRATA LOT ADJOINS CENTRAL STAIRS LOBBY AND OTHER STRATA LOTS IN WHICH CASE THE CENTER LINE OF THE STRUCTURAL WALL IS USED.

105th AVENUE

SEC. 22

Bk. 5 N.
Rge. 2 W.



OUTLINE OF TOWNHOMES (LEVEL 1)

OUTLINE OF TOWER (LEVEL 4)

OUTLINE OF BUILDING (LEVEL 1)

UNIVERSITY DRIVE

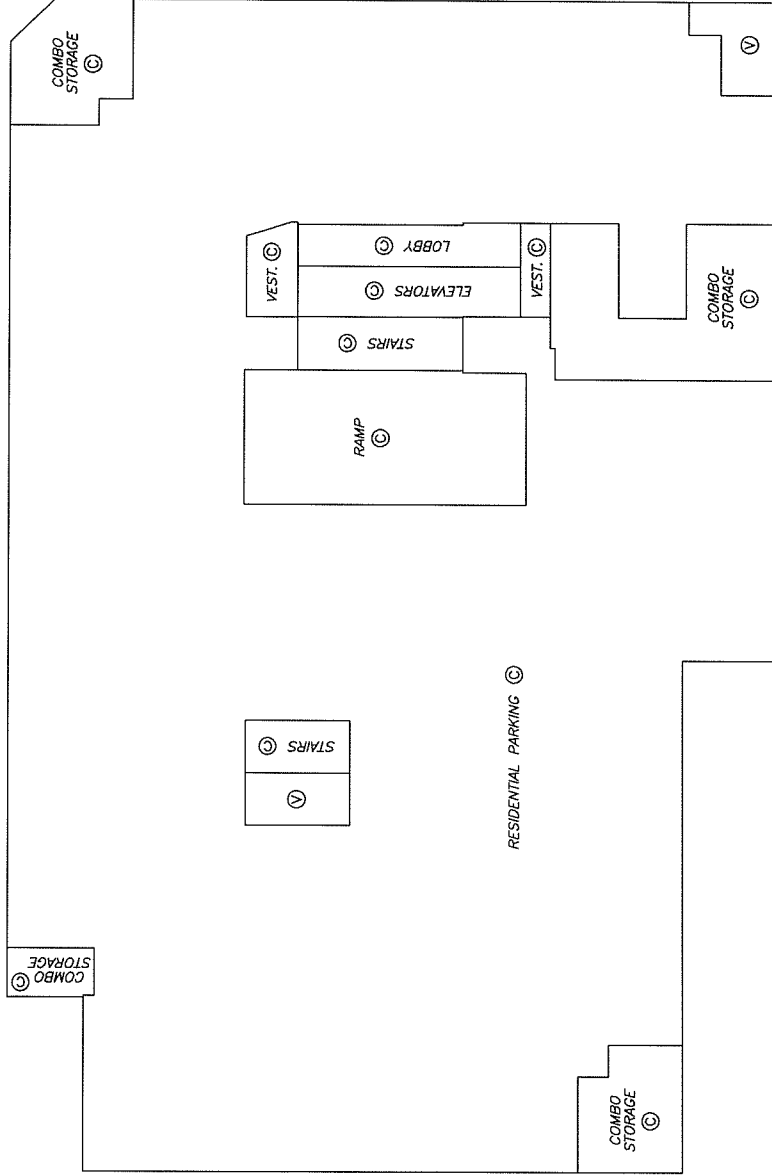
LANE

PLAN EPP79101

PARKING LEVEL P4 FLOOR PLAN



SCALE 1:250

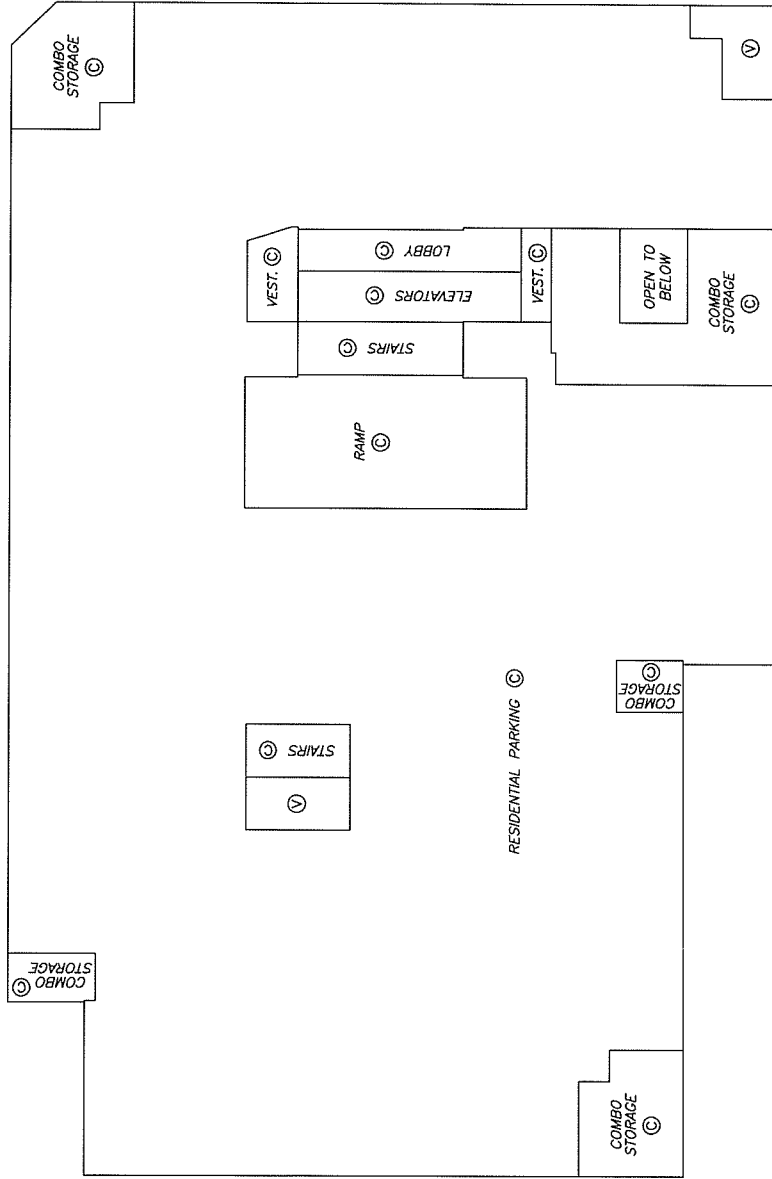


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 DATE : OCTOBER 16, 2018

PARKING LEVEL P3 FLOOR PLAN

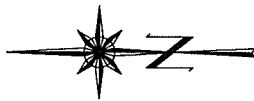


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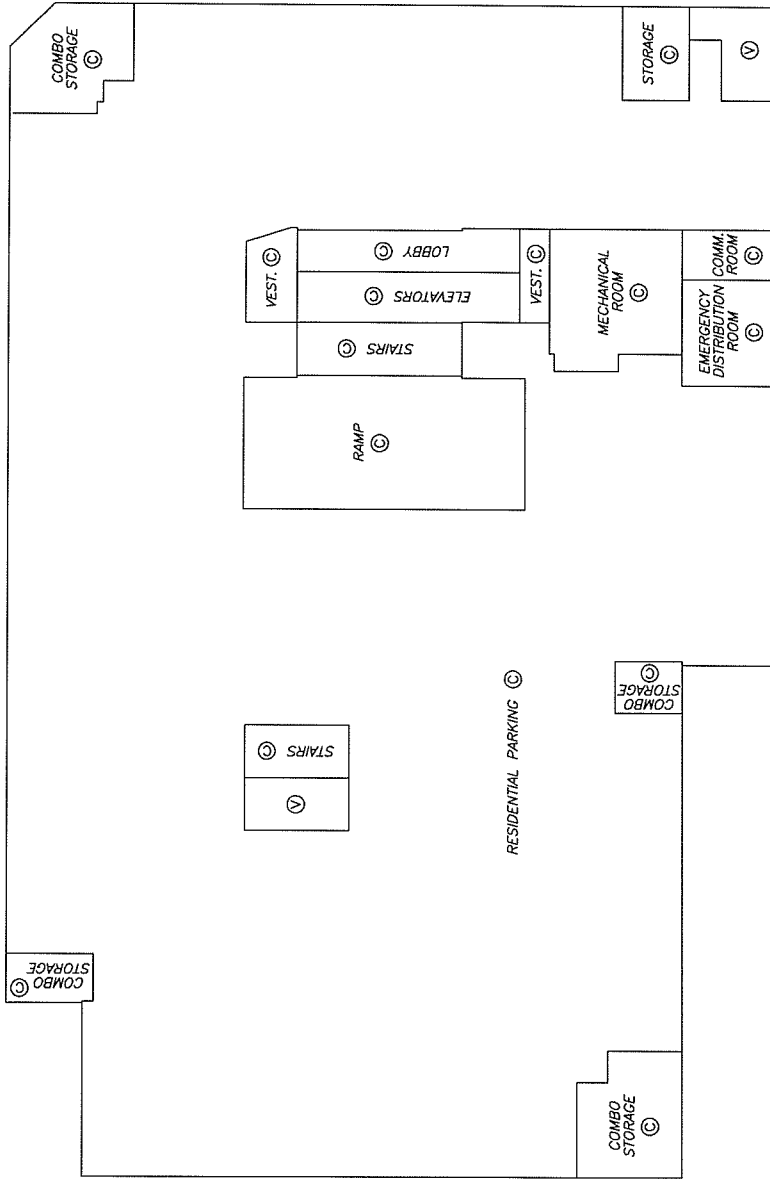


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 FILE # 30870-12 FP P2
 DATE : OCTOBER 16, 2018

PARKING LEVEL P2 FLOOR PLAN



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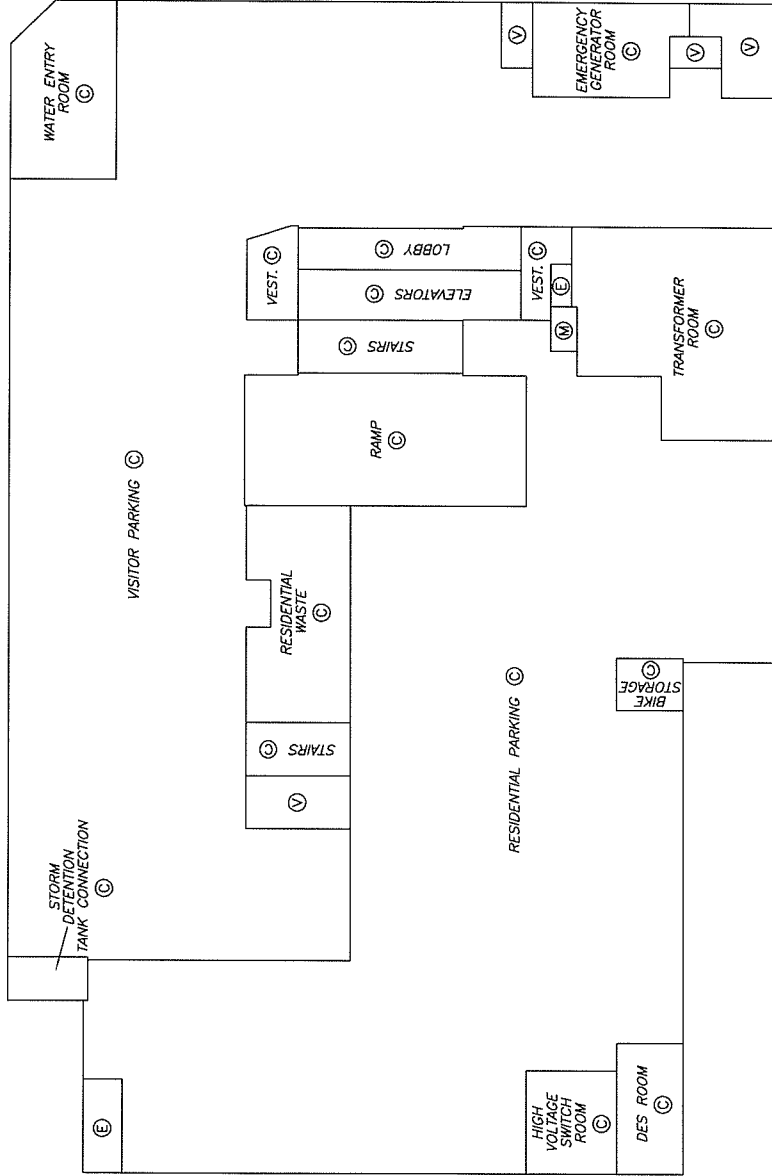


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PARKING LEVEL P1
FLOOR PLAN



SCALE 1:250



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**LEVEL 1
FLOOR PLAN**



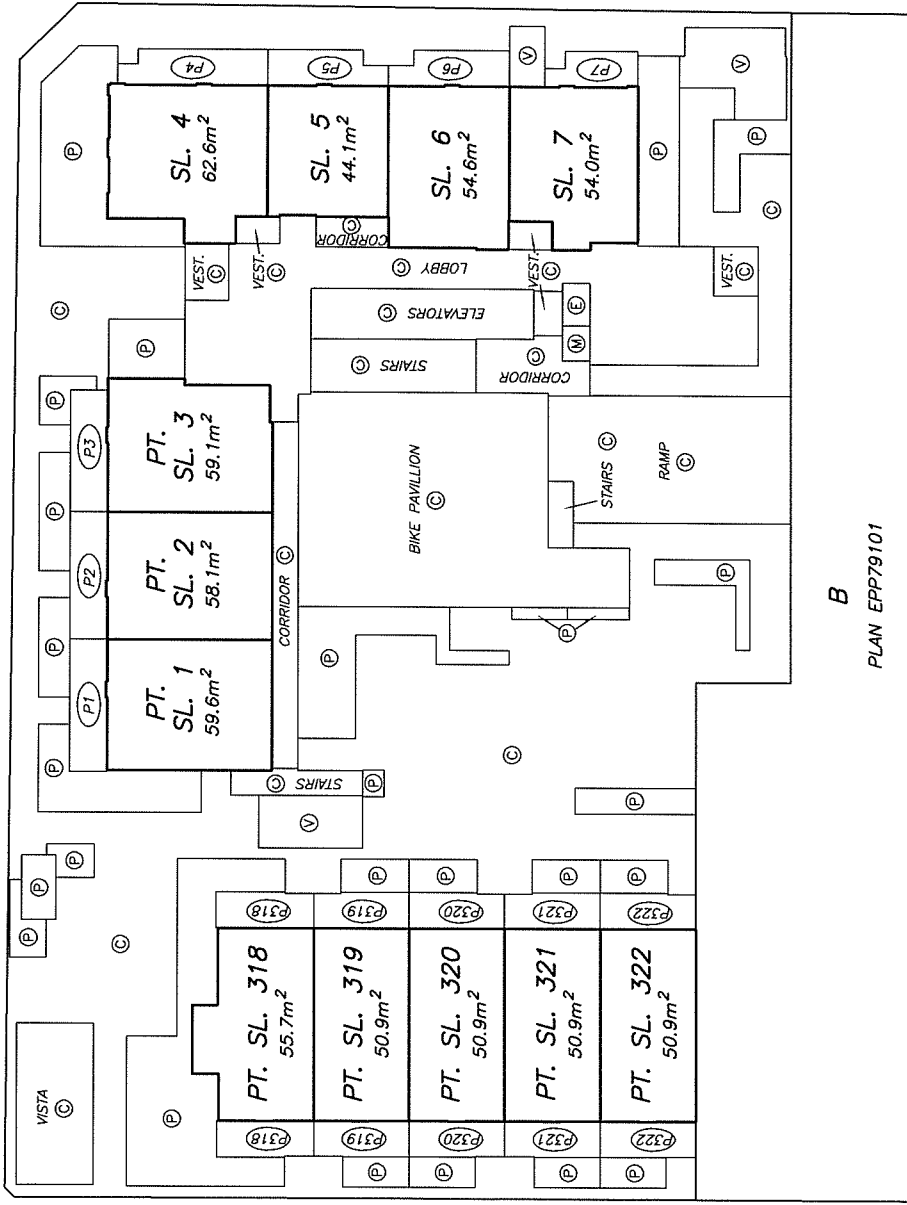
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105th AVENUE

UNIVERSITY DRIVE

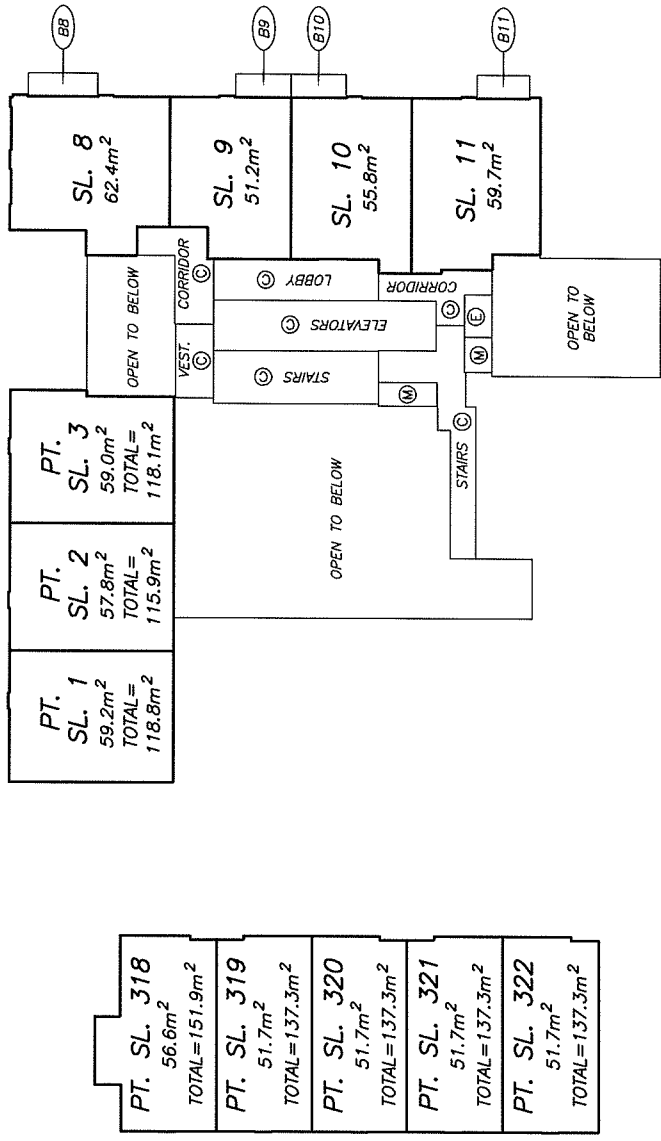
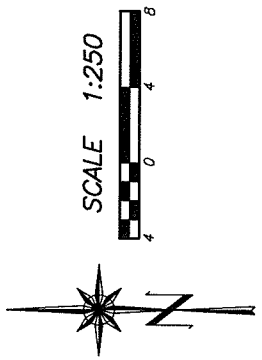
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B
PLAN EPP79101

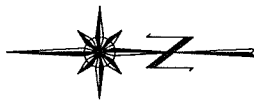
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 FILE # 30870-12 FP P2
 DATE : OCTOBER 16, 2018

LEVEL 2
FLOOR PLAN

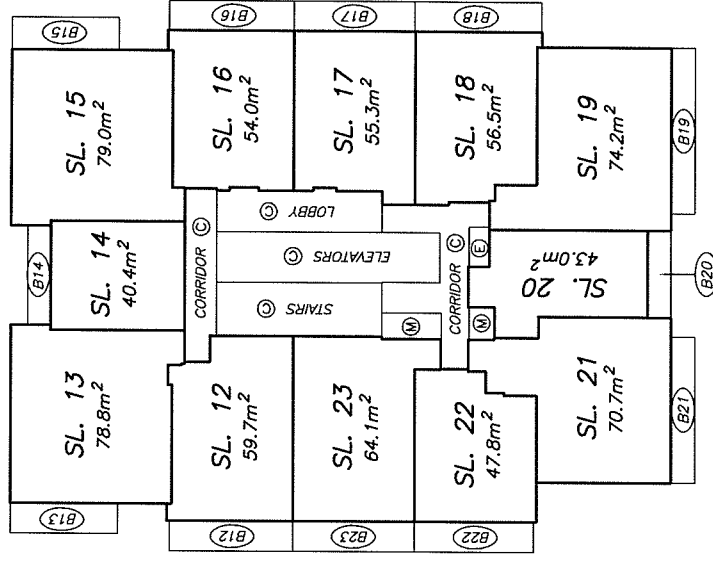
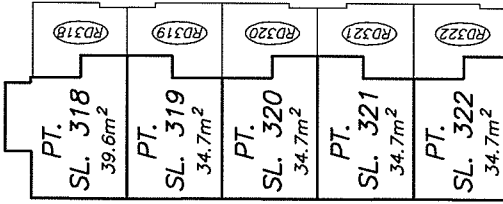


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 DATE : OCTOBER 16, 2018

LEVEL 3 FLOOR PLAN



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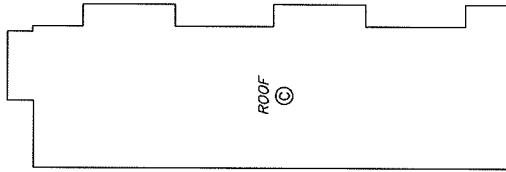
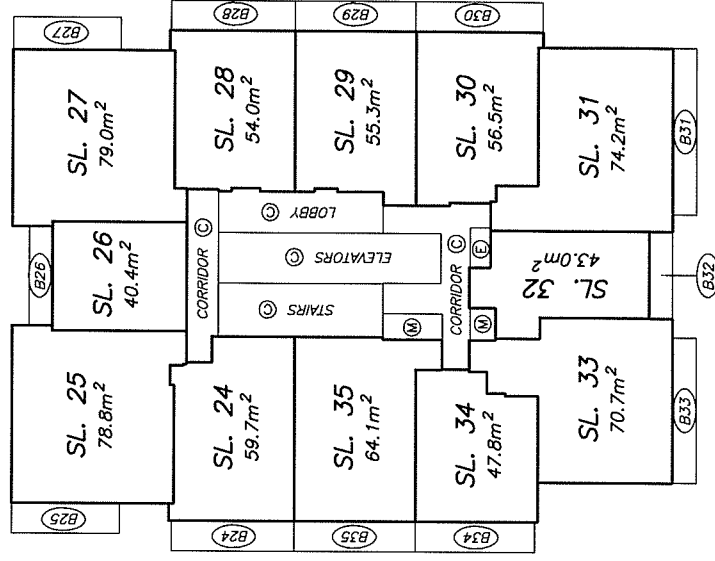


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LEVEL 4 FLOOR PLAN



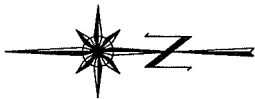
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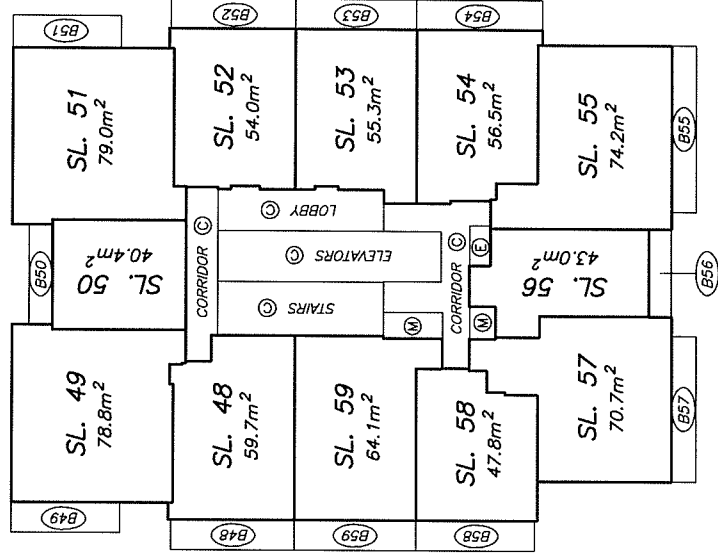
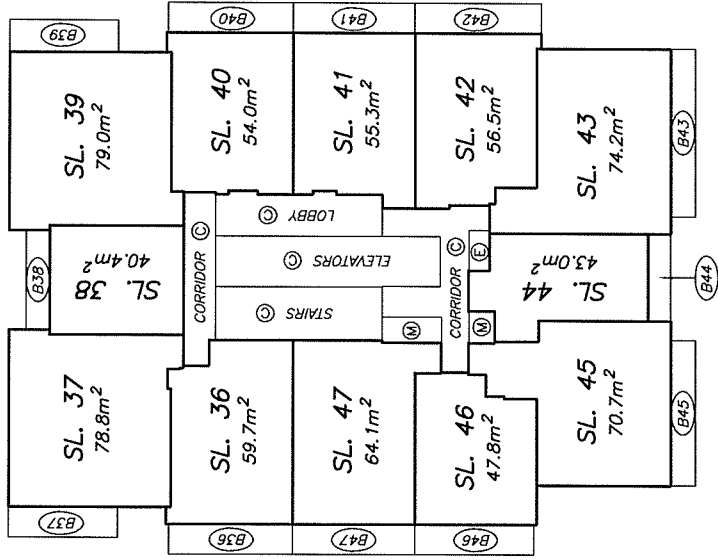
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 SURREY, B.C.
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FLOOR PLANS



SCALE 1:250



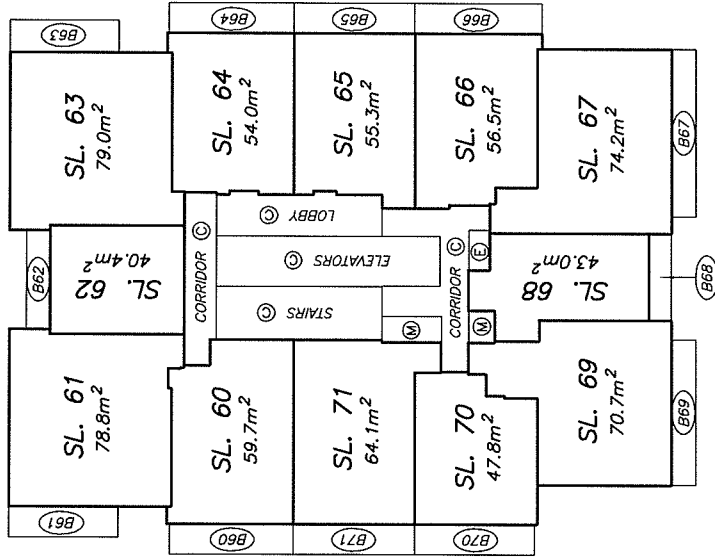
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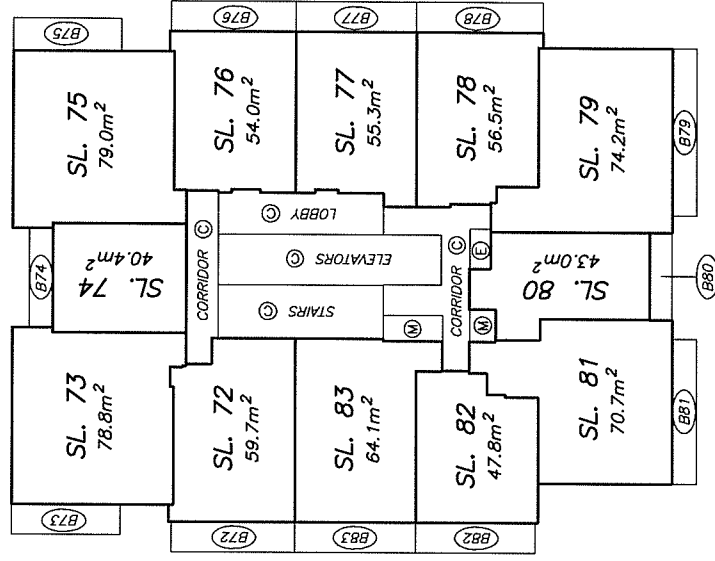
FLOOR PLANS



SCALE 1:250



LEVEL 7

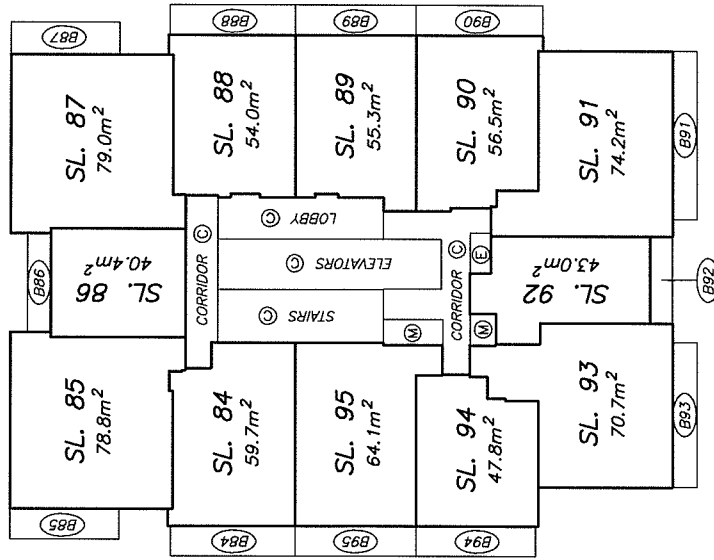
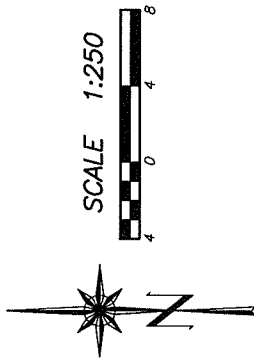


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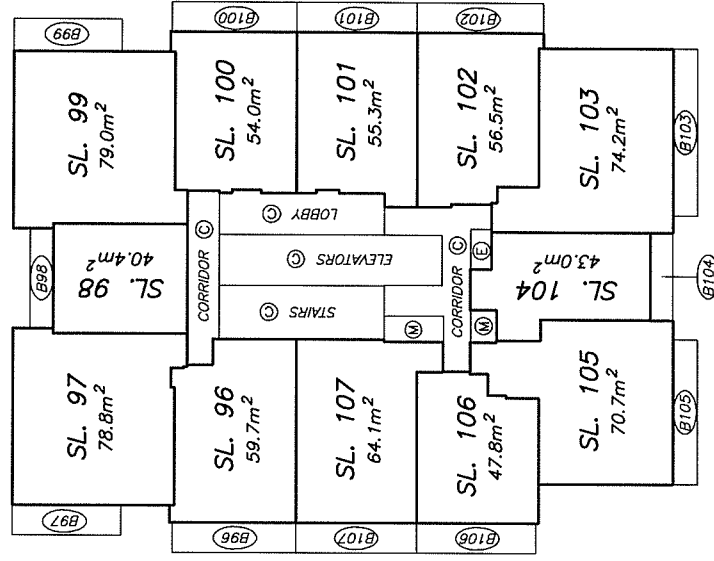
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FLOOR PLANS



LEVEL 9

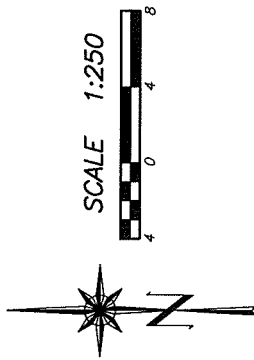


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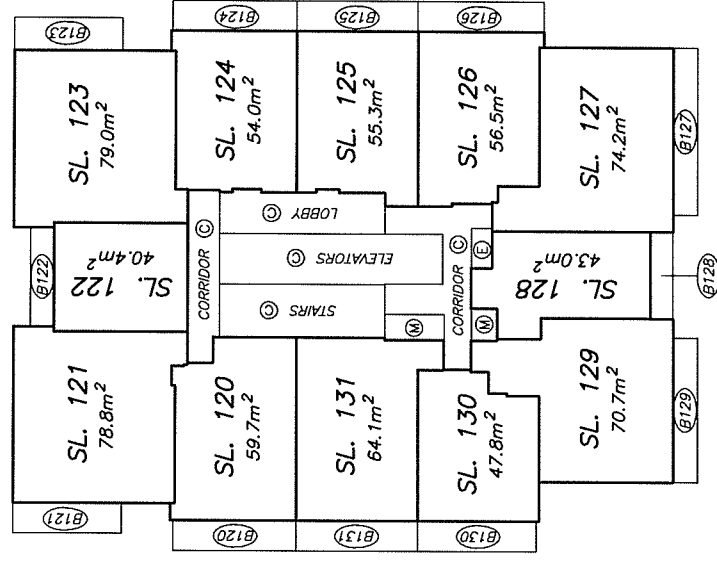
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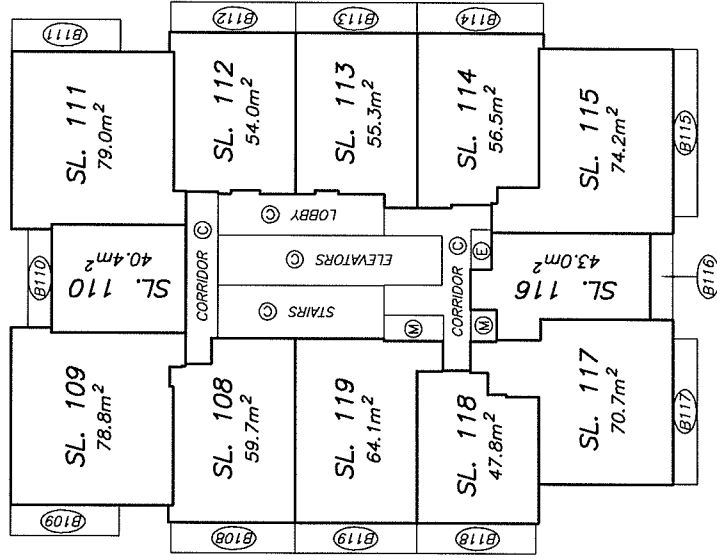
FLOOR PLANS



SCALE 1:250



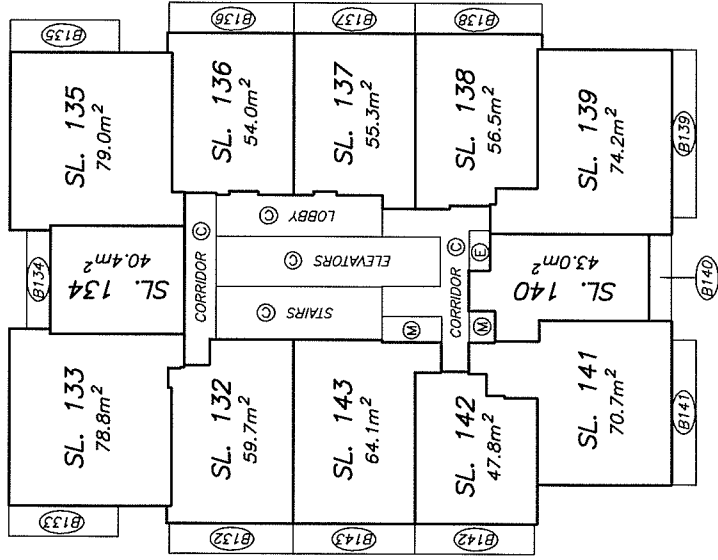
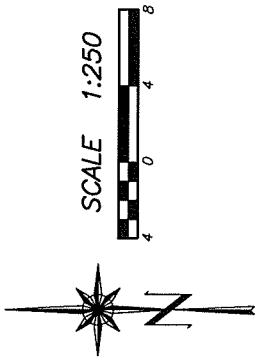
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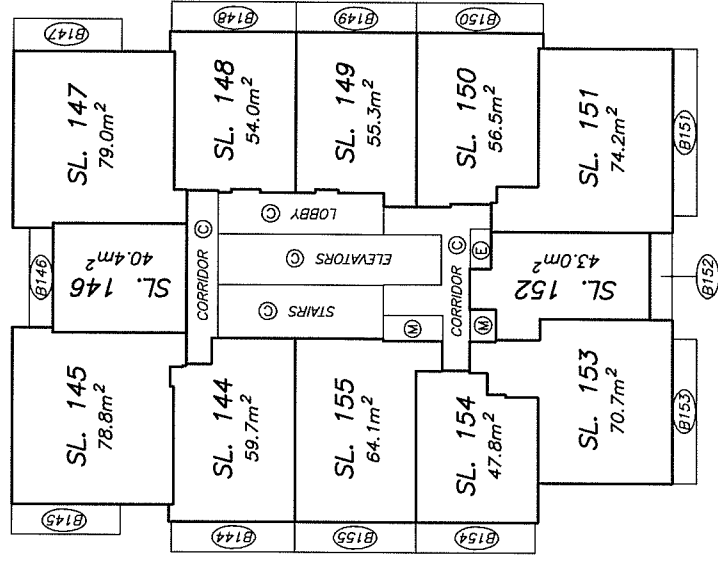
LEVEL 11

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FLOOR PLANS

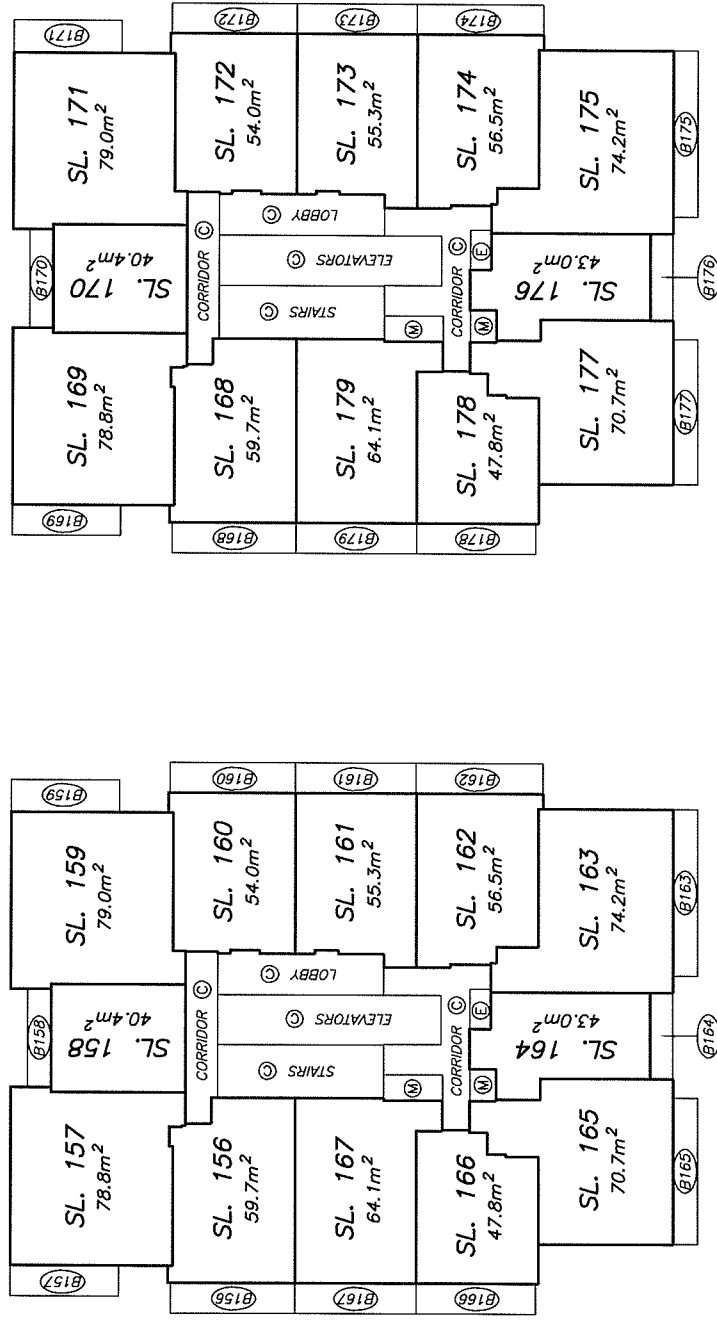
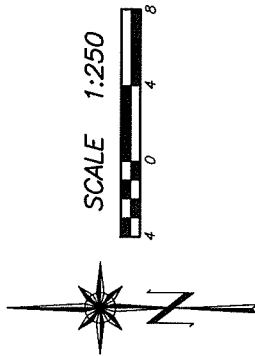


LEVEL 13



LEVEL 14

FLOOR PLANS



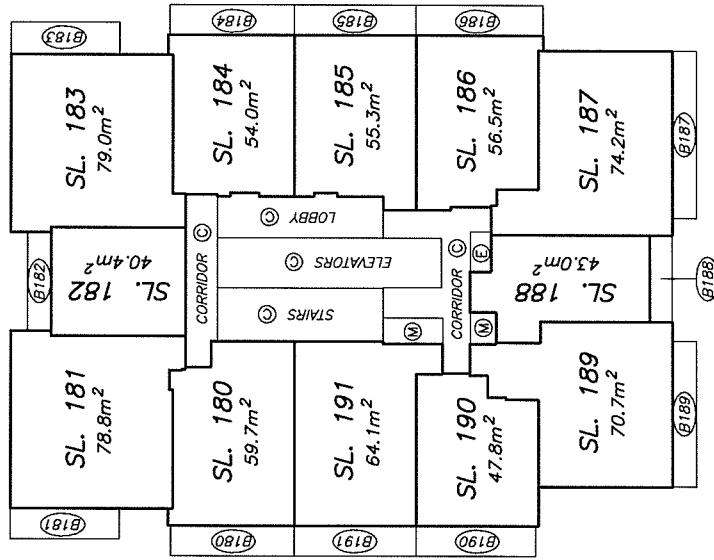
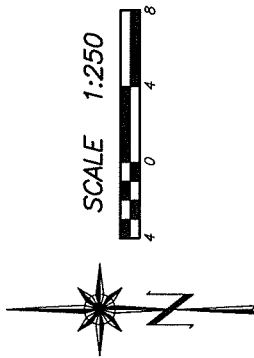
LEVEL 15

LEVEL 16

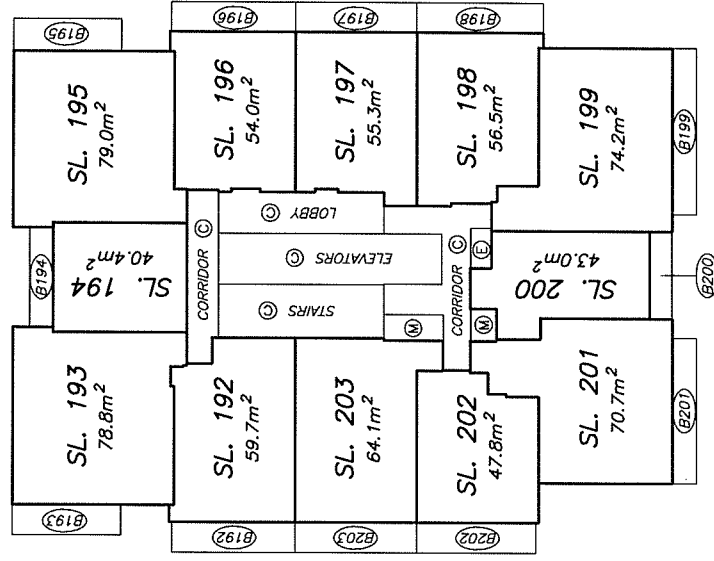
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FLOOR PLANS

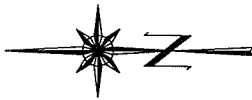


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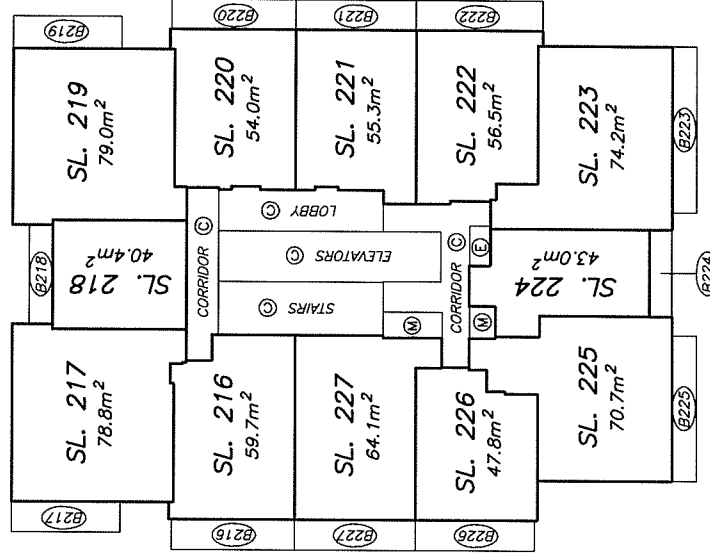
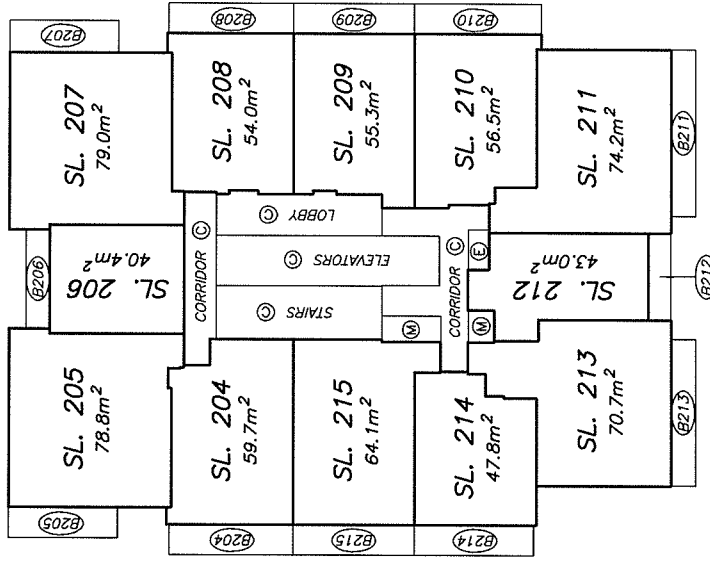


LEVEL 18

FLOOR PLANS



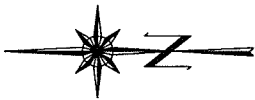
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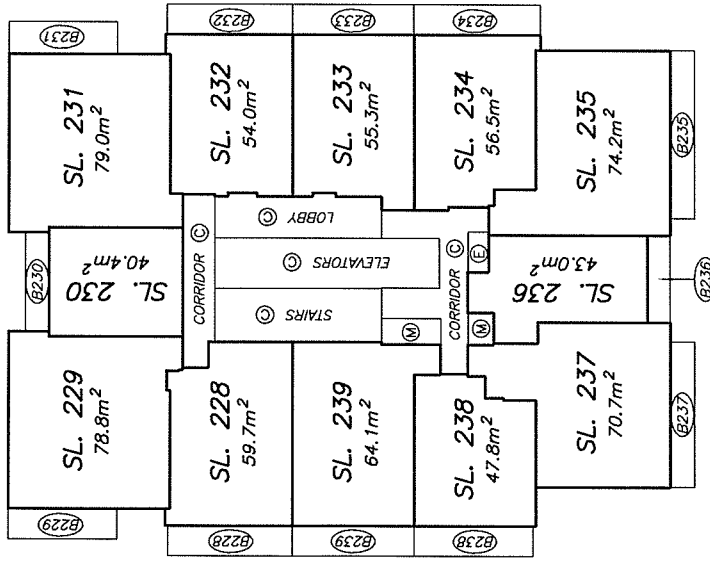
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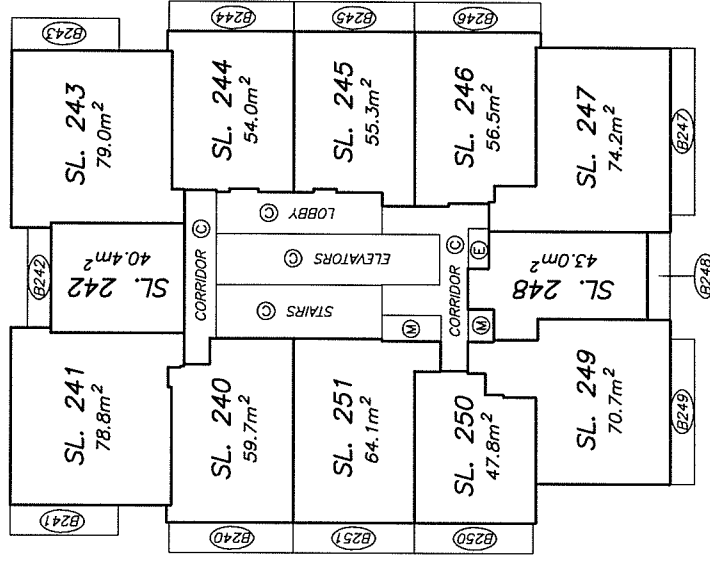
FLOOR PLANS



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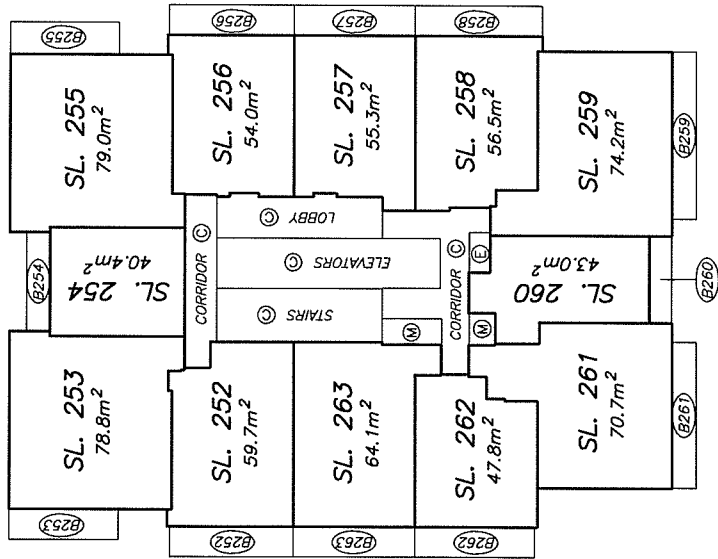
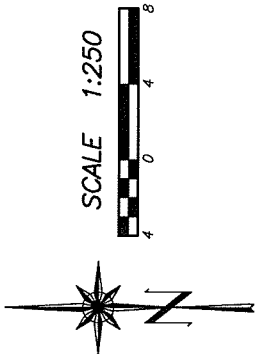


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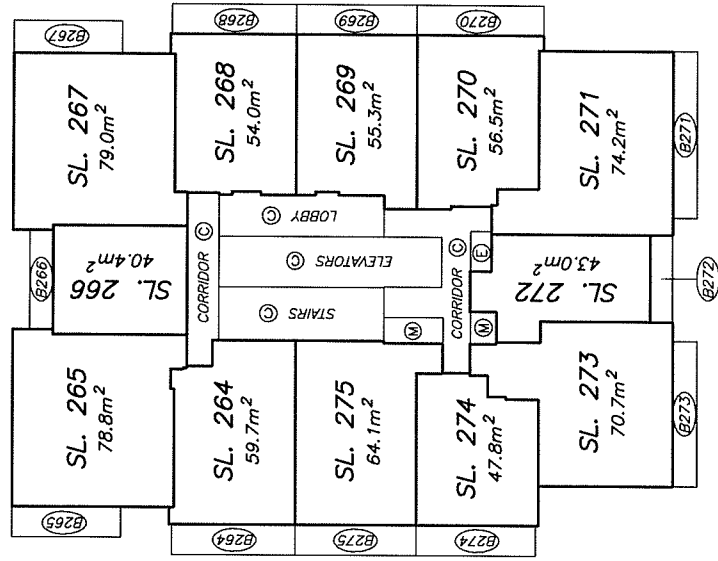


LEVEL 22

FLOOR PLANS



LEVEL 23

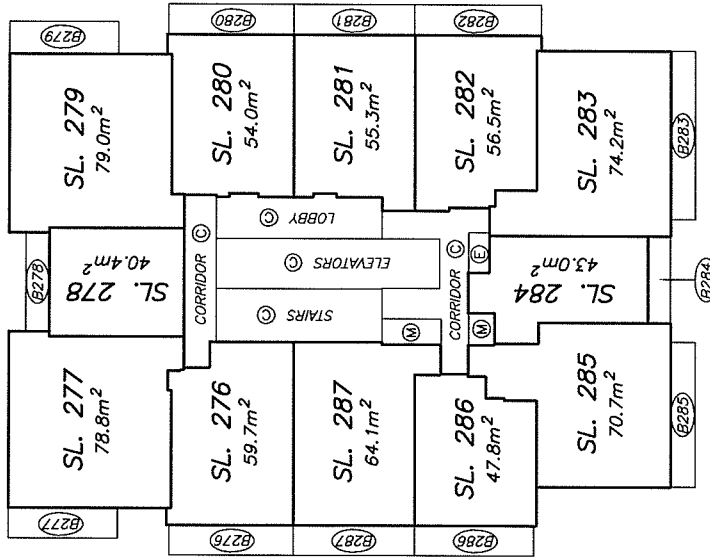


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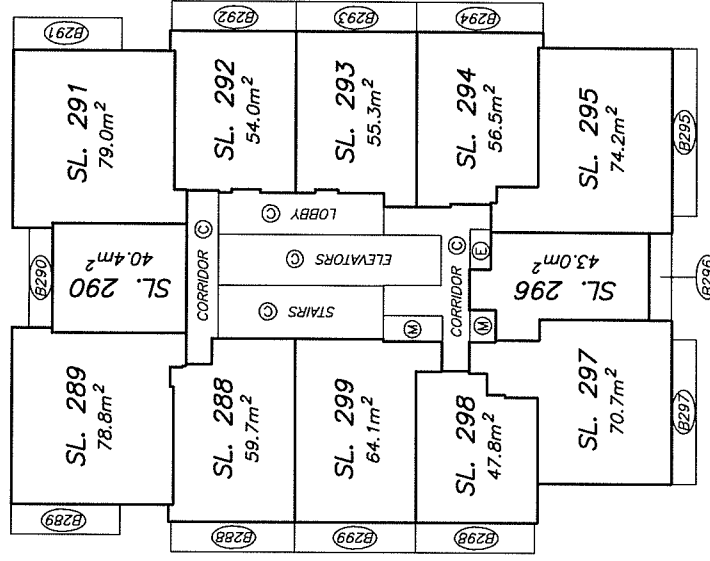
FLOOR PLANS



SCALE 1:250



LEVEL 25

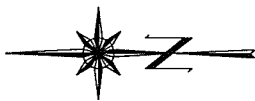


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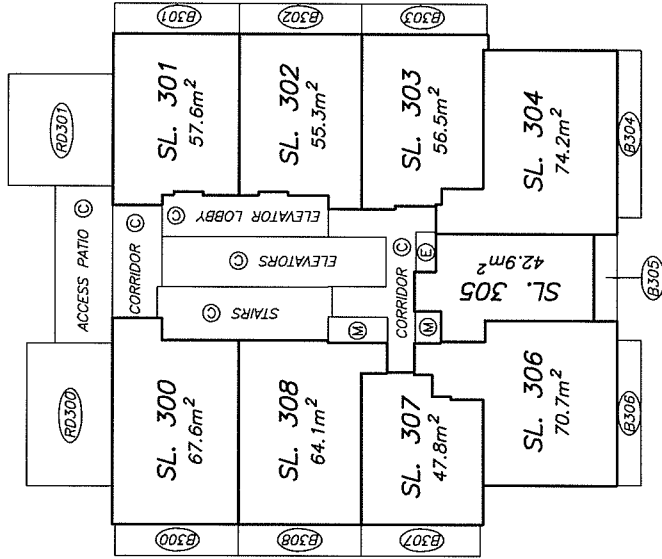
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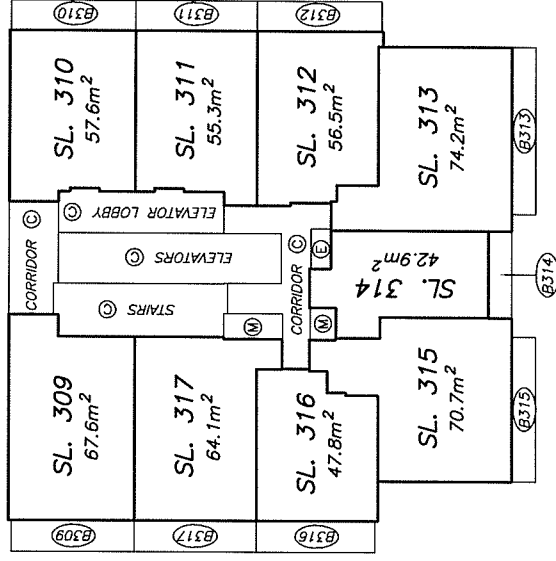
FLOOR PLANS



SCALE 1:250



LEVEL 27



LEVEL 28

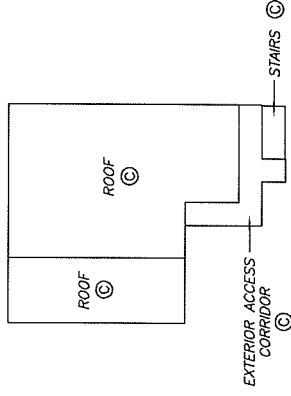
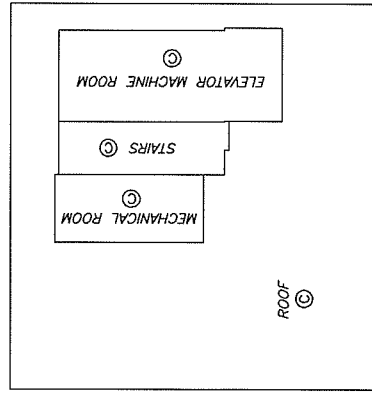
BENNETT LAND SURVEYING LTD.
 B.C. & CANADA LAND SURVEYORS
 #201-9547 152nd STREET,
 SURREY, B.C.
 PHONE : 604-582-0717

DRAWING # 30870-12 REVISION 2
 FILE # 30870-12-FP-R2
 DATE : OCTOBER 16, 2018

FLOOR PLANS



SCALE 1:250



LEVEL 29 MECHANICAL PENTHOUSE

MECHANICAL ROOM ROOF LEVEL

BENNETT LAND SURVEYING LTD.
 B.C. & CANADA LAND SURVEYORS
 #201-9547, 152nd STREET,
 SURREY, B.C.
 PHONE : 604-582-0717
 DRAWING # 30870-12 REVISION 2
 FILE # 30870_12_FP_R2
 DATE : OCTOBER 16, 2018

EXHIBIT "D"

PROPOSED FORM V - SCHEDULE OF UNIT ENTITLEMENT

(See Next Page)

Strata Property Act
Form V
SCHEDULE OF UNIT ENTITLEMENT
(Sections 245(a), 246, 264)

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

PID _____ Lot A, Section 22, Block 5 North, Range 2 West,
New Westminster District, Plan EPP79101.

STRATA PLAN CONSISTING ENTIRELY OF RESIDENTIAL STRATA LOTS

The unit entitlement for each residential strata lot is one of the following, 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, Robert Adriaensen
a British Columbia land surveyor, certify that the following table reflects the habitable area of each residential strata lot.

Date: _____

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	6, 7	118.8	119	0.60
2	6, 7	115.9	116	0.58
3	6, 7	118.1	118	0.59
4	6	62.6	63	0.32
5	6	44.1	44	0.22
6	6	54.6	55	0.28
7	6	54.0	54	0.27
8	7	62.4	62	0.31
9	7	51.2	51	0.26
10	7	55.8	56	0.28
11	7	59.7	60	0.30
12	8	59.7	60	0.30
13	8	78.8	79	0.40
14	8	40.4	40	0.20
15	8	79.0	79	0.40
16	8	54.0	54	0.27
17	8	55.3	55	0.28
18	8	56.5	57	0.29
19	8	74.2	74	0.37
20	8	43.0	43	0.22
21	8	70.7	71	0.36
22	8	47.8	48	0.24
23	8	64.1	64	0.32
24	9	59.7	60	0.30
25	9	78.8	79	0.40
26	9	40.4	40	0.20
27	9	79.0	79	0.40
28	9	54.0	54	0.27
29	9	55.3	55	0.28
30	9	56.5	57	0.29
31	9	74.2	74	0.37
32	9	43.0	43	0.22
33	9	70.7	71	0.36
34	9	47.8	48	0.24
35	9	64.1	64	0.32
36	10	59.7	60	0.30
37	10	78.8	79	0.40
38	10	40.4	40	0.20
39	10	79.0	79	0.40
40	10	54.0	54	0.27
41	10	55.3	55	0.28
42	10	56.5	57	0.29
43	10	74.2	74	0.37

Strata Lot No.	Sheet No.	Habitable Area in m ²	Unit Entitlement	%* of Total Unit Entitlement **
44	10	43.0	43	0.22
45	10	70.7	71	0.36
46	10	47.8	48	0.24
47	10	64.1	64	0.32
48	10	59.7	60	0.30
49	10	78.8	79	0.40
50	10	40.4	40	0.20
51	10	79.0	79	0.40
52	10	54.0	54	0.27
53	10	55.3	55	0.28
54	10	56.5	57	0.29
55	10	74.2	74	0.37
56	10	43.0	43	0.22
57	10	70.7	71	0.36
58	10	47.8	48	0.24
59	10	64.1	64	0.32
60	11	59.7	60	0.30
61	11	78.8	79	0.40
62	11	40.4	40	0.20
63	11	79.0	79	0.40
64	11	54.0	54	0.27
65	11	55.3	55	0.28
66	11	56.5	57	0.29
67	11	74.2	74	0.37
68	11	43.0	43	0.22
69	11	70.7	71	0.36
70	11	47.8	48	0.24
71	11	64.1	64	0.32
72	11	59.7	60	0.30
73	11	78.8	79	0.40
74	11	40.4	40	0.20
75	11	79.0	79	0.40
76	11	54.0	54	0.27
77	11	55.3	55	0.28
78	11	56.5	57	0.29
79	11	74.2	74	0.37
80	11	43.0	43	0.22
81	11	70.7	71	0.36
82	11	47.8	48	0.24
83	11	64.1	64	0.32
84	12	59.7	60	0.30
85	12	78.8	79	0.40

Strata Lot No.	Sheet No.	Habitable Area in m ²	Unit Entitlement	%* of Total Unit Entitlement **
86	12	40.4	40	0.20
87	12	79.0	79	0.40
88	12	54.0	54	0.27
89	12	55.3	55	0.28
90	12	56.5	57	0.29
91	12	74.2	74	0.37
92	12	43.0	43	0.22
93	12	70.7	71	0.36
94	12	47.8	48	0.24
95	12	64.1	64	0.32
96	12	59.7	60	0.30
97	12	78.8	79	0.40
98	12	40.4	40	0.20
99	12	79.0	79	0.40
100	12	54.0	54	0.27
101	12	55.3	55	0.28
102	12	56.5	57	0.29
103	12	74.2	74	0.37
104	12	43.0	43	0.22
105	12	70.7	71	0.36
106	12	47.8	48	0.24
107	12	64.1	64	0.32
108	13	59.7	60	0.30
109	13	78.8	79	0.40
110	13	40.4	40	0.20
111	13	79.0	79	0.40
112	13	54.0	54	0.27
113	13	55.3	55	0.28
114	13	56.5	57	0.29
115	13	74.2	74	0.37
116	13	43.0	43	0.22
117	13	70.7	71	0.36
118	13	47.8	48	0.24
119	13	64.1	64	0.32
120	13	59.7	60	0.30
121	13	78.8	79	0.40
122	13	40.4	40	0.20
123	13	79.0	79	0.40
124	13	54.0	54	0.27
125	13	55.3	55	0.28
126	13	56.5	57	0.29
127	13	74.2	74	0.37

Strata Lot No.	Sheet No.	Habitable Area in m ²	Unit Entitlement	%* of Total Unit Entitlement **
128	13	43.0	43	0.22
129	13	70.7	71	0.36
130	13	47.8	48	0.24
131	13	64.1	64	0.32
132	14	59.7	60	0.30
133	14	78.8	79	0.40
134	14	40.4	40	0.20
135	14	79.0	79	0.40
136	14	54.0	54	0.27
137	14	55.3	55	0.28
138	14	56.5	57	0.29
139	14	74.2	74	0.37
140	14	43.0	43	0.22
141	14	70.7	71	0.36
142	14	47.8	48	0.24
143	14	64.1	64	0.32
144	14	59.7	60	0.30
145	14	78.8	79	0.40
146	14	40.4	40	0.20
147	14	79.0	79	0.40
148	14	54.0	54	0.27
149	14	55.3	55	0.28
150	14	56.5	57	0.29
151	14	74.2	74	0.37
152	14	43.0	43	0.22
153	14	70.7	71	0.36
154	14	47.8	48	0.24
155	14	64.1	64	0.32
156	15	59.7	60	0.30
157	15	78.8	79	0.40
158	15	40.4	40	0.20
159	15	79.0	79	0.40
160	15	54.0	54	0.27
161	15	55.3	55	0.28
162	15	56.5	57	0.29
163	15	74.2	74	0.37
164	15	43.0	43	0.22
165	15	70.7	71	0.36
166	15	47.8	48	0.24
167	15	64.1	64	0.32
168	15	59.7	60	0.30
169	15	78.8	79	0.40

Strata Lot No.	Sheet No.	Habitable Area in m ²	Unit Entitlement	%* of Total Unit Entitlement **
170	15	40.4	40	0.20
171	15	79.0	79	0.40
172	15	54.0	54	0.27
173	15	55.3	55	0.28
174	15	56.5	57	0.29
175	15	74.2	74	0.37
176	15	43.0	43	0.22
177	15	70.7	71	0.36
178	15	47.8	48	0.24
179	15	64.1	64	0.32
180	16	59.7	60	0.30
181	16	78.8	79	0.40
182	16	40.4	40	0.20
183	16	79.0	79	0.40
184	16	54.0	54	0.27
185	16	55.3	55	0.28
186	16	56.5	57	0.29
187	16	74.2	74	0.37
188	16	43.0	43	0.22
189	16	70.7	71	0.36
190	16	47.8	48	0.24
191	16	64.1	64	0.32
192	16	59.7	60	0.30
193	16	78.8	79	0.40
194	16	40.4	40	0.20
195	16	79.0	79	0.40
196	16	54.0	54	0.27
197	16	55.3	55	0.28
198	16	56.5	57	0.29
199	16	74.2	74	0.37
200	16	43.0	43	0.22
201	16	70.7	71	0.36
202	16	47.8	48	0.24
203	16	64.1	64	0.32
204	17	59.7	60	0.30
205	17	78.8	79	0.40
206	17	40.4	40	0.20
207	17	79.0	79	0.40
208	17	54.0	54	0.27
209	17	55.3	55	0.28
210	17	56.5	57	0.29
211	17	74.2	74	0.37

Strata Lot No.	Sheet No.	Habitable Area in m ²	Unit Entitlement	%* of Total Unit Entitlement **
212	17	43.0	43	0.22
213	17	70.7	71	0.36
214	17	47.8	48	0.24
215	17	64.1	64	0.32
216	17	59.7	60	0.30
217	17	78.8	79	0.40
218	17	40.4	40	0.20
219	17	79.0	79	0.40
220	17	54.0	54	0.27
221	17	55.3	55	0.28
222	17	56.5	57	0.29
223	17	74.2	74	0.37
224	17	43.0	43	0.22
225	17	70.7	71	0.36
226	17	47.8	48	0.24
227	17	64.1	64	0.32
228	18	59.7	60	0.30
229	18	78.8	79	0.40
230	18	40.4	40	0.20
231	18	79.0	79	0.40
232	18	54.0	54	0.27
233	18	55.3	55	0.28
234	18	56.5	57	0.29
235	18	74.2	74	0.37
236	18	43.0	43	0.22
237	18	70.7	71	0.36
238	18	47.8	48	0.24
239	18	64.1	64	0.32
240	18	59.7	60	0.30
241	18	78.8	79	0.40
242	18	40.4	40	0.20
243	18	79.0	79	0.40
244	18	54.0	54	0.27
245	18	55.3	55	0.28
246	18	56.5	57	0.29
247	18	74.2	74	0.37
248	18	43.0	43	0.22
249	18	70.7	71	0.36
250	18	47.8	48	0.24
251	18	64.1	64	0.32
252	19	59.7	60	0.30
253	19	78.8	79	0.40

Strata Lot No.	Sheet No.	Habitable Area in m ²	Unit Entitlement	%* of Total Unit Entitlement **
254	19	40.4	40	0.20
255	19	79.0	79	0.40
256	19	54.0	54	0.27
257	19	55.3	55	0.28
258	19	56.5	57	0.29
259	19	74.2	74	0.37
260	19	43.0	43	0.22
261	19	70.7	71	0.36
262	19	47.8	48	0.24
263	19	64.1	64	0.32
264	19	59.7	60	0.30
265	19	78.8	79	0.40
266	19	40.4	40	0.20
267	19	79.0	79	0.40
268	19	54.0	54	0.27
269	19	55.3	55	0.28
270	19	56.5	57	0.29
271	19	74.2	74	0.37
272	19	43.0	43	0.22
273	19	70.7	71	0.36
274	19	47.8	48	0.24
275	19	64.1	64	0.32
276	20	59.7	60	0.30
277	20	78.8	79	0.40
278	20	40.4	40	0.20
279	20	79.0	79	0.40
280	20	54.0	54	0.27
281	20	55.3	55	0.28
282	20	56.5	57	0.29
283	20	74.2	74	0.37
284	20	43.0	43	0.22
285	20	70.7	71	0.36
286	20	47.8	48	0.24
287	20	64.1	64	0.32
288	20	59.7	60	0.30
289	20	78.8	79	0.40
290	20	40.4	40	0.20
291	20	79.0	79	0.40
292	20	54.0	54	0.27
293	20	55.3	55	0.28
294	20	56.5	57	0.29
295	20	74.2	74	0.37

Strata Lot No.	Sheet No.	Habitable Area in m ²	Unit Entitlement	%* of Total Unit Entitlement **
296	20	43.0	43	0.22
297	20	70.7	71	0.36
298	20	47.8	48	0.24
299	20	64.1	64	0.32
300	21	67.6	68	0.34
301	21	57.6	58	0.29
302	21	55.3	55	0.28
303	21	56.5	57	0.29
304	21	74.2	74	0.37
305	21	42.9	43	0.22
306	21	70.7	71	0.36
307	21	47.8	48	0.24
308	21	64.1	64	0.32
309	21	67.6	68	0.34
310	21	57.6	58	0.29
311	21	55.3	55	0.28
312	21	56.5	57	0.29
313	21	74.2	74	0.37
314	21	42.9	43	0.22
315	21	70.7	71	0.36
316	21	47.8	48	0.24
317	21	64.1	64	0.32
318	6, 7, 8	151.9	152	0.76
319	6, 7, 8	137.3	137	0.69
320	6, 7, 8	137.3	137	0.69
321	6, 7, 8	137.3	137	0.69
322	6, 7, 8	137.3	137	0.69
Total number of lots: 322			Total unit entitlement: 19950	

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

** not required for a phase of a phased strata plan

Date: _____

Signature of Owner Developer

Signature of Superintendent of Real Estate
(if submitted under section 264 of the Act)

EXHIBIT "E"
ESTIMATED OPERATING BUDGETS

(See Next Page)

**UNIVERSITY DISTRICT NORTH
NORTH TOWER**

PROPOSED INTERIM OPERATING BUDGET

<u>ACCOUNT</u>	<u>REVENUE</u>	<u>AMOUNT</u>
3310-000	Strata Fees	\$ 961,906.00
3310-000	CRF Allocation	\$ 48,095.30
	TOTAL REVENUE	\$ 1,010,001.30
	 <u>OPERATING EXPENSES</u>	
	CLEANING CONTRACT	
4110-000	Janitorial Contract	\$ 36,000.00
4530-000	Building Manager	\$ 42,000.00
4120-000	Window Cleaning	\$ 9,000.00
4130-000	Garbage Removal	\$ 21,000.00
	 CLEANING OTHER	
4210-000	Flooring/Carpeting	\$ 4,800.00
4240-000	Janitorial Supplies	\$ 2,400.00
4350-000	Dryer Vent Cleaning	\$ 8,400.00
	 REPAIR AND MAINTENANCE	
4510-000	Elevator Maintenance	\$ 39,600.00
4520-000	HVAC/Mechanical	\$ 9,000.00
4540-000	Fire and Life Safety	\$ 7,500.00
4540-100	Alarm Monitoring	\$ 3,000.00
4610-000	Electrical	\$ 1,500.00
4620-000	General	\$ 18,000.00
4640-000	Painting	\$ 3,600.00
4640-200	Plumbing	\$ 3,000.00
4680-000	*Amenities (43/57 Split)	\$ -
4740-100	Enterphone Lease	\$ 40,000.00
4780-500	*Building Envelope	
	*Inspection	\$ -
	*Repairs & Maintenance	\$ -
	*Pressure Washing	\$ -
4810-000	Maintenance Supplies	\$ 2,760.00
4820-100	Emergency Generator/Fuel	\$ 3,240.00
4820-300	Parking Lot Cleaning (43/57 split)	\$ 3,600.00
4820-400	Parkade Gate (43/57 split)	\$ 1,800.00
	 UTILITIES	
4910-000	Electricity	\$ 78,000.00
4920-000	Heating & Hot Water	\$ 290,000.00
4940-000	Water & Sewer	\$ 93,420.00
4960-000	Enterphone/Intercom/Fobs	\$ 1,200.00
	 SERVICE CONTRACT	
5105-000	Irrigation System Maint.	\$ 1,800.00
5110-000	Landscaping Contract	\$ 12,000.00

5130-000	Pest Control	\$	3,000.00
5140-000	Snow Removal	\$	3,600.00
	OTHER		
5120-000	Security Contract (43/57split)	\$	18,086.00
	Concierge (43/57 split)	\$	47,300.00
5210-000	Keys and Locks	\$	1,800.00
	ADMIN SERVICE CONTRACT		
5410-000	Management Fees	\$	64,500.00
5420-000	Professional Fees	\$	1,500.00
5420-200	Legal	\$	600.00
	ADMIN OFFICE EXPENSES		
5520-000	Postage	\$	3,240.00
5540-000	Telephone	\$	1,200.00
5550-100	Photocopier	\$	3,600.00
5560-000	Bank Service Charges	\$	360.00
5590-000	Sundry Operating Expenses	\$	1,500.00
	FIXED EXPENSES		
5920-000	Building Insurance	\$	<u>75,000.00</u>
	TOTAL EXPENSES	\$	<u>961,906.00</u>
9350-000	Contingency Reserve (5%)	\$	<u>48,095.30</u>
	TOTAL OPERATING BUDGET	\$	<u><u>1,010,001.30</u></u>

*NOTE: Expenses for Shared Landscape area, Recreational Centre, and Building Envelope expenses will come into effect when Recreational Centre, Pool and Landscaping are installed and operational.

**UNIVERSITY DISTRICT NORTH
SHARED AMENITIES AND COMMON AREA EXPENSES**

Elevator	\$	7,200.00
Janitorial Contract	\$	36,000.00
Janitorial and Maintenance Supplies	\$	4,800.00
Pool/Spa Maintenance Contract	\$	6,000.00
Pool Chemicals	\$	3,600.00
Gym Equipment Maintenance Contract	\$	2,400.00
General Repairs and Maintenance	\$	3,000.00
Landscaping	\$	<u>15,750.00</u>
OPERATING EXPENSE	\$	<u>78,750.00</u>
CRF Allocation	\$	<u>3,937.50</u>
TOTAL OPERATING EXPENSES	\$	<u><u>82,687.50</u></u>

*NOTE: Shared Amenities and Common Area Expenses are Allocated Based on Unit Entitlement

North Tower Unit Entitlement (43%) x \$82,687.50	\$	35,555.63
South Tower Unit Entitlement (57%) x \$82,687.50	\$	47,131.88

**UNIVERSITY DISTRICT NORTH
NORTH TOWER
PROPOSED ANNUAL OPERATING BUDGET**

<u>ACCOUNT</u>	<u>REVENUE</u>	<u>AMOUNT</u>
3310-000	Strata Fees	\$ 1,014,861.63
3310-000	CRF Allocation	\$ 101,486.16
	TOTAL REVENUE	\$ 1,116,347.79
	<u>OPERATING EXPENSES</u>	
	CLEANING CONTRACT	
4110-000	Janitorial Contract	\$ 36,000.00
4530-000	Building Manager	\$ 42,000.00
4120-000	Window Cleaning	\$ 9,000.00
4130-000	Garbage Removal	\$ 21,000.00
	CLEANING OTHER	
4210-000	Flooring/Carpeting	\$ 4,800.00
4240-000	Janitorial Supplies	\$ 2,400.00
4350-000	Dryer Vent Cleaning	\$ 8,400.00
	REPAIR AND MAINTENANCE	
4510-000	Elevator Maintenance	\$ 39,600.00
4520-000	HVAC/Mechanical	\$ 9,000.00
4540-000	Fire and Life Safety	\$ 7,500.00
4540-100	Alarm Monitoring	\$ 3,000.00
4610-000	Electrical	\$ 1,500.00
4620-000	General	\$ 18,000.00
4640-000	Painting	\$ 3,600.00
4640-200	Plumbing	\$ 3,000.00
4680-000	Amenities Centre (43/57 Split)	\$ 35,555.63
4740-100	Enterphone Lease	\$ 40,000.00
4780-500	Building Envelope	
	Inspection	\$ 12,000.00
	Repairs & Maintenance	\$ 1,500.00
	Pressure Washing	\$ 3,900.00
4810-000	Maintenance Supplies	\$ 2,760.00
4820-100	Emergency Generator/Fuel	\$ 3,240.00
4820-300	Parking Lot Cleaning (43/57 split)	\$ 3,600.00
4820-400	Parkade Gate (43/57 split)	\$ 1,800.00
	UTILITIES	
4910-000	Electricity	\$ 78,000.00
4920-000	Heating and Hot Water	\$ 290,000.00
4940-000	Water & Sewer	\$ 93,420.00
4960-000	Enterphone/Intercom/Fobs	\$ 1,200.00
	SERVICE CONTRACT	
5105-000	Irrigation System Maint.	\$ 1,800.00
5110-000	Landscaping Contract	\$ 12,000.00
5130-000	Pest Control	\$ 3,000.00

5140-000	Snow Removal	\$	3,600.00
	OTHER		
5120-000	Security Contract (43/57 split)	\$	18,086.00
	Concierge (43/57 Split)	\$	47,300.00
5210-000	Keys and Locks	\$	1,800.00
	ADMIN SERVICE CONTRACT		
5410-000	Management Fees	\$	64,500.00
5420-000	Professional Fees	\$	1,500.00
5420-200	Legal	\$	600.00
	ADMIN OFFICE EXPENSES		
5520-000	Postage	\$	3,240.00
5540-000	Telephone	\$	1,200.00
5550-100	Photocopier	\$	3,600.00
5560-000	Bank Service Charges	\$	360.00
5590-000	Sundry Operating Expenses	\$	1,500.00
	FIXED EXPENSES		
5920-000	Building Insurance	\$	75,000.00
	TOTAL EXPENSES	\$	<u>1,014,861.63</u>
9350-000	Contingency Reserve (10%)	\$	101,486.16
	TOTAL OPERATING BUDGET	\$	<u><u>1,116,347.79</u></u>

**UNIVERSITY DISTRICT NORTH
SHARED AMENITIES AND COMMON AREA EXPENSES**

Elevator	\$	7,200.00
Janitorial Contract	\$	36,000.00
Janitorial and Maintenance Supplies	\$	4,800.00
Pool/Spa Maintenance Contract	\$	6,000.00
Pool Chemicals	\$	3,600.00
Gym Equipment Maintenance Contract	\$	2,400.00
General Repairs and Maintenance	\$	3,000.00
Landscaping	\$	15,750.00
OPERATING EXPENSE	\$	<u>78,750.00</u>
CRF Allocation	\$	3,937.50
TOTAL OPERATING EXPENSES	\$	<u><u>82,687.50</u></u>

*NOTE: Shared Amenities and Common Area Expenses are Allocated Based on Unit Entitlement

North Tower Unit Entitlement (43%) x \$82,687.50	\$	35,555.63
South Tower Unit Entitlement (57%) x \$82,687.50	\$	47,131.88

CITY OF SURREY



District Energy System By-law, 2012, No. 17667

Schedule C - Charges

Part 1 – Levy

	Levy
<u>Class 1</u> Residential and mixed-use buildings where the non-residential portion of the building does not exceed 20% of the building area.	\$0.0179 per square metre of the building area per day
<u>Class 2</u> Any building where the non-residential portion of the building exceeds 20% of the building area.	\$0.2569 per kilowatt of peak heat energy demand per day

Part 2 –Charge

Charge	\$52.96 per megawatt-hour of heat energy
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EXHIBIT "F"

ESTIMATED MONTHLY MAINTENANCE FEES PER STRATA LOT

(See Next Page)

UNIVERSITY DISTRICT NORTH
NORTH TOWER

Proposed Interim Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
1	TH3	119	\$ 478.14	\$ 23.91	\$ 502.05
2	TH2	116	\$ 466.09	\$ 23.30	\$ 489.39
3	TH1	118	\$ 474.12	\$ 23.71	\$ 497.83
4	101	63	\$ 253.13	\$ 12.66	\$ 265.79
5	102	44	\$ 176.79	\$ 8.84	\$ 185.63
6	103	55	\$ 220.99	\$ 11.05	\$ 232.04
7	104	54	\$ 216.97	\$ 10.85	\$ 227.82
8	201	62	\$ 249.12	\$ 12.46	\$ 261.58
9	202	51	\$ 204.92	\$ 10.25	\$ 215.17
10	203	56	\$ 225.01	\$ 11.25	\$ 236.26
11	204	60	\$ 241.08	\$ 12.05	\$ 253.13
12	301	60	\$ 241.08	\$ 12.05	\$ 253.13
13	302	79	\$ 317.42	\$ 15.87	\$ 333.29
14	303	40	\$ 160.72	\$ 8.04	\$ 168.76
15	304	79	\$ 317.42	\$ 15.87	\$ 333.29
16	305	54	\$ 216.97	\$ 10.85	\$ 227.82
17	306	55	\$ 220.99	\$ 11.05	\$ 232.04
18	307	57	\$ 229.03	\$ 11.45	\$ 240.48
19	308	74	\$ 297.33	\$ 14.87	\$ 312.20
20	309	43	\$ 172.77	\$ 8.64	\$ 181.41
21	310	71	\$ 285.28	\$ 14.26	\$ 299.54
22	311	48	\$ 192.86	\$ 9.64	\$ 202.50
23	312	64	\$ 257.15	\$ 12.86	\$ 270.01
24	401	60	\$ 241.08	\$ 12.05	\$ 253.13
25	402	79	\$ 317.42	\$ 15.87	\$ 333.29
26	403	40	\$ 160.72	\$ 8.04	\$ 168.76
27	404	79	\$ 317.42	\$ 15.87	\$ 333.29
28	405	54	\$ 216.97	\$ 10.85	\$ 227.82
29	406	55	\$ 220.99	\$ 11.05	\$ 232.04
30	407	57	\$ 229.03	\$ 11.45	\$ 240.48
31	408	74	\$ 297.33	\$ 14.87	\$ 312.20
32	409	43	\$ 172.77	\$ 8.64	\$ 181.41
33	410	71	\$ 285.28	\$ 14.26	\$ 299.54
34	411	48	\$ 192.86	\$ 9.64	\$ 202.50
35	412	64	\$ 257.15	\$ 12.86	\$ 270.01
36	501	60	\$ 241.08	\$ 12.05	\$ 253.13
37	502	79	\$ 317.42	\$ 15.87	\$ 333.29
38	503	40	\$ 160.72	\$ 8.04	\$ 168.76
39	504	79	\$ 317.42	\$ 15.87	\$ 333.29
40	505	54	\$ 216.97	\$ 10.85	\$ 227.82
41	506	55	\$ 220.99	\$ 11.05	\$ 232.04

**UNIVERSITY DISTRICT NORTH
NORTH TOWER**

Proposed Interim Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
42	507	57	\$ 229.03	\$ 11.45	\$ 240.48
43	508	74	\$ 297.33	\$ 14.87	\$ 312.20
44	509	43	\$ 172.77	\$ 8.64	\$ 181.41
45	510	71	\$ 285.28	\$ 14.26	\$ 299.54
46	511	48	\$ 192.86	\$ 9.64	\$ 202.50
47	512	64	\$ 257.15	\$ 12.86	\$ 270.01
48	601	60	\$ 241.08	\$ 12.05	\$ 253.13
49	602	79	\$ 317.42	\$ 15.87	\$ 333.29
50	603	40	\$ 160.72	\$ 8.04	\$ 168.76
51	604	79	\$ 317.42	\$ 15.87	\$ 333.29
52	605	54	\$ 216.97	\$ 10.85	\$ 227.82
53	606	55	\$ 220.99	\$ 11.05	\$ 232.04
54	607	57	\$ 229.03	\$ 11.45	\$ 240.48
55	608	74	\$ 297.33	\$ 14.87	\$ 312.20
56	609	43	\$ 172.77	\$ 8.64	\$ 181.41
57	610	71	\$ 285.28	\$ 14.26	\$ 299.54
58	611	48	\$ 192.86	\$ 9.64	\$ 202.50
59	612	64	\$ 257.15	\$ 12.86	\$ 270.01
60	701	60	\$ 241.08	\$ 12.05	\$ 253.13
61	702	79	\$ 317.42	\$ 15.87	\$ 333.29
62	703	40	\$ 160.72	\$ 8.04	\$ 168.76
63	704	79	\$ 317.42	\$ 15.87	\$ 333.29
64	705	54	\$ 216.97	\$ 10.85	\$ 227.82
65	706	55	\$ 220.99	\$ 11.05	\$ 232.04
66	707	57	\$ 229.03	\$ 11.45	\$ 240.48
67	708	74	\$ 297.33	\$ 14.87	\$ 312.20
68	709	43	\$ 172.77	\$ 8.64	\$ 181.41
69	710	71	\$ 285.28	\$ 14.26	\$ 299.54
70	711	48	\$ 192.86	\$ 9.64	\$ 202.50
71	712	64	\$ 257.15	\$ 12.86	\$ 270.01
72	801	60	\$ 241.08	\$ 12.05	\$ 253.13
73	802	79	\$ 317.42	\$ 15.87	\$ 333.29
74	803	40	\$ 160.72	\$ 8.04	\$ 168.76
75	804	79	\$ 317.42	\$ 15.87	\$ 333.29
76	805	54	\$ 216.97	\$ 10.85	\$ 227.82
77	806	55	\$ 220.99	\$ 11.05	\$ 232.04
78	807	57	\$ 229.03	\$ 11.45	\$ 240.48
79	808	74	\$ 297.33	\$ 14.87	\$ 312.20
80	809	43	\$ 172.77	\$ 8.64	\$ 181.41
81	810	71	\$ 285.28	\$ 14.26	\$ 299.54
82	811	48	\$ 192.86	\$ 9.64	\$ 202.50

UNIVERSITY DISTRICT NORTH
NORTH TOWER

Proposed Interim Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
83	812	64	\$ 257.15	\$ 12.86	\$ 270.01
84	901	60	\$ 241.08	\$ 12.05	\$ 253.13
85	902	79	\$ 317.42	\$ 15.87	\$ 333.29
86	903	40	\$ 160.72	\$ 8.04	\$ 168.76
87	904	79	\$ 317.42	\$ 15.87	\$ 333.29
88	905	54	\$ 216.97	\$ 10.85	\$ 227.82
89	906	55	\$ 220.99	\$ 11.05	\$ 232.04
90	907	57	\$ 229.03	\$ 11.45	\$ 240.48
91	908	74	\$ 297.33	\$ 14.87	\$ 312.20
92	909	43	\$ 172.77	\$ 8.64	\$ 181.41
93	910	71	\$ 285.28	\$ 14.26	\$ 299.54
94	911	48	\$ 192.86	\$ 9.64	\$ 202.50
95	912	64	\$ 257.15	\$ 12.86	\$ 270.01
96	1001	60	\$ 241.08	\$ 12.05	\$ 253.13
97	1002	79	\$ 317.42	\$ 15.87	\$ 333.29
98	1003	40	\$ 160.72	\$ 8.04	\$ 168.76
99	1004	79	\$ 317.42	\$ 15.87	\$ 333.29
100	1005	54	\$ 216.97	\$ 10.85	\$ 227.82
101	1006	55	\$ 220.99	\$ 11.05	\$ 232.04
102	1007	57	\$ 229.03	\$ 11.45	\$ 240.48
103	1008	74	\$ 297.33	\$ 14.87	\$ 312.20
104	1009	43	\$ 172.77	\$ 8.64	\$ 181.41
105	1010	71	\$ 285.28	\$ 14.26	\$ 299.54
106	1011	48	\$ 192.86	\$ 9.64	\$ 202.50
107	1012	64	\$ 257.15	\$ 12.86	\$ 270.01
108	1101	60	\$ 241.08	\$ 12.05	\$ 253.13
109	1102	79	\$ 317.42	\$ 15.87	\$ 333.29
110	1103	40	\$ 160.72	\$ 8.04	\$ 168.76
111	1104	79	\$ 317.42	\$ 15.87	\$ 333.29
112	1105	54	\$ 216.97	\$ 10.85	\$ 227.82
113	1106	55	\$ 220.99	\$ 11.05	\$ 232.04
114	1107	57	\$ 229.03	\$ 11.45	\$ 240.48
115	1108	74	\$ 297.33	\$ 14.87	\$ 312.20
116	1109	43	\$ 172.77	\$ 8.64	\$ 181.41
117	1110	71	\$ 285.28	\$ 14.26	\$ 299.54
118	1111	48	\$ 192.86	\$ 9.64	\$ 202.50
119	1112	64	\$ 257.15	\$ 12.86	\$ 270.01
120	1201	60	\$ 241.08	\$ 12.05	\$ 253.13
121	1202	79	\$ 317.42	\$ 15.87	\$ 333.29
122	1203	40	\$ 160.72	\$ 8.04	\$ 168.76
123	1204	79	\$ 317.42	\$ 15.87	\$ 333.29

**UNIVERSITY DISTRICT NORTH
NORTH TOWER**

Proposed Interim Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
124	1205	54	\$ 216.97	\$ 10.85	\$ 227.82
125	1206	55	\$ 220.99	\$ 11.05	\$ 232.04
126	1207	57	\$ 229.03	\$ 11.45	\$ 240.48
127	1208	74	\$ 297.33	\$ 14.87	\$ 312.20
128	1209	43	\$ 172.77	\$ 8.64	\$ 181.41
129	1210	71	\$ 285.28	\$ 14.26	\$ 299.54
130	1211	48	\$ 192.86	\$ 9.64	\$ 202.50
131	1212	64	\$ 257.15	\$ 12.86	\$ 270.01
132	1301	60	\$ 241.08	\$ 12.05	\$ 253.13
133	1302	79	\$ 317.42	\$ 15.87	\$ 333.29
134	1303	40	\$ 160.72	\$ 8.04	\$ 168.76
135	1304	79	\$ 317.42	\$ 15.87	\$ 333.29
136	1305	54	\$ 216.97	\$ 10.85	\$ 227.82
137	1306	55	\$ 220.99	\$ 11.05	\$ 232.04
138	1307	57	\$ 229.03	\$ 11.45	\$ 240.48
139	1308	74	\$ 297.33	\$ 14.87	\$ 312.20
140	1309	43	\$ 172.77	\$ 8.64	\$ 181.41
141	1310	71	\$ 285.28	\$ 14.26	\$ 299.54
142	1311	48	\$ 192.86	\$ 9.64	\$ 202.50
143	1312	64	\$ 257.15	\$ 12.86	\$ 270.01
144	1401	60	\$ 241.08	\$ 12.05	\$ 253.13
145	1402	79	\$ 317.42	\$ 15.87	\$ 333.29
146	1403	40	\$ 160.72	\$ 8.04	\$ 168.76
147	1404	79	\$ 317.42	\$ 15.87	\$ 333.29
148	1405	54	\$ 216.97	\$ 10.85	\$ 227.82
149	1406	55	\$ 220.99	\$ 11.05	\$ 232.04
150	1407	57	\$ 229.03	\$ 11.45	\$ 240.48
151	1408	74	\$ 297.33	\$ 14.87	\$ 312.20
152	1409	43	\$ 172.77	\$ 8.64	\$ 181.41
153	1410	71	\$ 285.28	\$ 14.26	\$ 299.54
154	1411	48	\$ 192.86	\$ 9.64	\$ 202.50
155	1412	64	\$ 257.15	\$ 12.86	\$ 270.01
156	1501	60	\$ 241.08	\$ 12.05	\$ 253.13
157	1502	79	\$ 317.42	\$ 15.87	\$ 333.29
158	1503	40	\$ 160.72	\$ 8.04	\$ 168.76
159	1504	79	\$ 317.42	\$ 15.87	\$ 333.29
160	1505	54	\$ 216.97	\$ 10.85	\$ 227.82
161	1506	55	\$ 220.99	\$ 11.05	\$ 232.04
162	1507	57	\$ 229.03	\$ 11.45	\$ 240.48
163	1508	74	\$ 297.33	\$ 14.87	\$ 312.20
164	1509	43	\$ 172.77	\$ 8.64	\$ 181.41

UNIVERSITY DISTRICT NORTH
NORTH TOWER

Proposed Interim Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
165	1510	71	\$ 285.28	\$ 14.26	\$ 299.54
166	1511	48	\$ 192.86	\$ 9.64	\$ 202.50
167	1512	64	\$ 257.15	\$ 12.86	\$ 270.01
168	1601	60	\$ 241.08	\$ 12.05	\$ 253.13
169	1602	79	\$ 317.42	\$ 15.87	\$ 333.29
170	1603	40	\$ 160.72	\$ 8.04	\$ 168.76
171	1604	79	\$ 317.42	\$ 15.87	\$ 333.29
172	1605	54	\$ 216.97	\$ 10.85	\$ 227.82
173	1606	55	\$ 220.99	\$ 11.05	\$ 232.04
174	1607	57	\$ 229.03	\$ 11.45	\$ 240.48
175	1608	74	\$ 297.33	\$ 14.87	\$ 312.20
176	1609	43	\$ 172.77	\$ 8.64	\$ 181.41
177	1610	71	\$ 285.28	\$ 14.26	\$ 299.54
178	1611	48	\$ 192.86	\$ 9.64	\$ 202.50
179	1612	64	\$ 257.15	\$ 12.86	\$ 270.01
180	1701	60	\$ 241.08	\$ 12.05	\$ 253.13
181	1702	79	\$ 317.42	\$ 15.87	\$ 333.29
182	1703	40	\$ 160.72	\$ 8.04	\$ 168.76
183	1704	79	\$ 317.42	\$ 15.87	\$ 333.29
184	1705	54	\$ 216.97	\$ 10.85	\$ 227.82
185	1706	55	\$ 220.99	\$ 11.05	\$ 232.04
186	1707	57	\$ 229.03	\$ 11.45	\$ 240.48
187	1708	74	\$ 297.33	\$ 14.87	\$ 312.20
188	1709	43	\$ 172.77	\$ 8.64	\$ 181.41
189	1710	71	\$ 285.28	\$ 14.26	\$ 299.54
190	1711	48	\$ 192.86	\$ 9.64	\$ 202.50
191	1712	64	\$ 257.15	\$ 12.86	\$ 270.01
192	1801	60	\$ 241.08	\$ 12.05	\$ 253.13
193	1802	79	\$ 317.42	\$ 15.87	\$ 333.29
194	1803	40	\$ 160.72	\$ 8.04	\$ 168.76
195	1804	79	\$ 317.42	\$ 15.87	\$ 333.29
196	1805	54	\$ 216.97	\$ 10.85	\$ 227.82
197	1806	55	\$ 220.99	\$ 11.05	\$ 232.04
198	1807	57	\$ 229.03	\$ 11.45	\$ 240.48
199	1808	74	\$ 297.33	\$ 14.87	\$ 312.20
200	1809	43	\$ 172.77	\$ 8.64	\$ 181.41
201	1810	71	\$ 285.28	\$ 14.26	\$ 299.54
202	1811	48	\$ 192.86	\$ 9.64	\$ 202.50
203	1812	64	\$ 257.15	\$ 12.86	\$ 270.01
204	1901	60	\$ 241.08	\$ 12.05	\$ 253.13
205	1902	79	\$ 317.42	\$ 15.87	\$ 333.29

**UNIVERSITY DISTRICT NORTH
NORTH TOWER**

Proposed Interim Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
206	1903	40	\$ 160.72	\$ 8.04	\$ 168.76
207	1904	79	\$ 317.42	\$ 15.87	\$ 333.29
208	1905	54	\$ 216.97	\$ 10.85	\$ 227.82
209	1906	55	\$ 220.99	\$ 11.05	\$ 232.04
210	1907	57	\$ 229.03	\$ 11.45	\$ 240.48
211	1908	74	\$ 297.33	\$ 14.87	\$ 312.20
212	1909	43	\$ 172.77	\$ 8.64	\$ 181.41
213	1910	71	\$ 285.28	\$ 14.26	\$ 299.54
214	1911	48	\$ 192.86	\$ 9.64	\$ 202.50
215	1912	64	\$ 257.15	\$ 12.86	\$ 270.01
216	2001	60	\$ 241.08	\$ 12.05	\$ 253.13
217	2002	79	\$ 317.42	\$ 15.87	\$ 333.29
218	2003	40	\$ 160.72	\$ 8.04	\$ 168.76
219	2004	79	\$ 317.42	\$ 15.87	\$ 333.29
220	2005	54	\$ 216.97	\$ 10.85	\$ 227.82
221	2006	55	\$ 220.99	\$ 11.05	\$ 232.04
222	2007	57	\$ 229.03	\$ 11.45	\$ 240.48
223	2008	74	\$ 297.33	\$ 14.87	\$ 312.20
224	2009	43	\$ 172.77	\$ 8.64	\$ 181.41
225	2010	71	\$ 285.28	\$ 14.26	\$ 299.54
226	2011	48	\$ 192.86	\$ 9.64	\$ 202.50
227	2012	64	\$ 257.15	\$ 12.86	\$ 270.01
228	2101	60	\$ 241.08	\$ 12.05	\$ 253.13
229	2102	79	\$ 317.42	\$ 15.87	\$ 333.29
230	2103	40	\$ 160.72	\$ 8.04	\$ 168.76
231	2104	79	\$ 317.42	\$ 15.87	\$ 333.29
232	2105	54	\$ 216.97	\$ 10.85	\$ 227.82
233	2106	55	\$ 220.99	\$ 11.05	\$ 232.04
234	2107	57	\$ 229.03	\$ 11.45	\$ 240.48
235	2108	74	\$ 297.33	\$ 14.87	\$ 312.20
236	2109	43	\$ 172.77	\$ 8.64	\$ 181.41
237	2110	71	\$ 285.28	\$ 14.26	\$ 299.54
238	2111	48	\$ 192.86	\$ 9.64	\$ 202.50
239	2112	64	\$ 257.15	\$ 12.86	\$ 270.01
240	2201	60	\$ 241.08	\$ 12.05	\$ 253.13
241	2202	79	\$ 317.42	\$ 15.87	\$ 333.29
242	2203	40	\$ 160.72	\$ 8.04	\$ 168.76
243	2204	79	\$ 317.42	\$ 15.87	\$ 333.29
244	2205	54	\$ 216.97	\$ 10.85	\$ 227.82
245	2206	55	\$ 220.99	\$ 11.05	\$ 232.04
246	2207	57	\$ 229.03	\$ 11.45	\$ 240.48

UNIVERSITY DISTRICT NORTH
NORTH TOWER

Proposed Interim Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
247	2208	74	\$ 297.33	\$ 14.87	\$ 312.20
248	2209	43	\$ 172.77	\$ 8.64	\$ 181.41
249	2210	71	\$ 285.28	\$ 14.26	\$ 299.54
250	2211	48	\$ 192.86	\$ 9.64	\$ 202.50
251	2212	64	\$ 257.15	\$ 12.86	\$ 270.01
252	2301	60	\$ 241.08	\$ 12.05	\$ 253.13
253	2302	79	\$ 317.42	\$ 15.87	\$ 333.29
254	2303	40	\$ 160.72	\$ 8.04	\$ 168.76
255	2304	79	\$ 317.42	\$ 15.87	\$ 333.29
256	2305	54	\$ 216.97	\$ 10.85	\$ 227.82
257	2306	55	\$ 220.99	\$ 11.05	\$ 232.04
258	2307	57	\$ 229.03	\$ 11.45	\$ 240.48
259	2308	74	\$ 297.33	\$ 14.87	\$ 312.20
260	2309	43	\$ 172.77	\$ 8.64	\$ 181.41
261	2310	71	\$ 285.28	\$ 14.26	\$ 299.54
262	2311	48	\$ 192.86	\$ 9.64	\$ 202.50
263	2312	64	\$ 257.15	\$ 12.86	\$ 270.01
264	2401	60	\$ 241.08	\$ 12.05	\$ 253.13
265	2402	79	\$ 317.42	\$ 15.87	\$ 333.29
266	2403	40	\$ 160.72	\$ 8.04	\$ 168.76
267	2404	79	\$ 317.42	\$ 15.87	\$ 333.29
268	2405	54	\$ 216.97	\$ 10.85	\$ 227.82
269	2406	55	\$ 220.99	\$ 11.05	\$ 232.04
270	2407	57	\$ 229.03	\$ 11.45	\$ 240.48
271	2408	74	\$ 297.33	\$ 14.87	\$ 312.20
272	2409	43	\$ 172.77	\$ 8.64	\$ 181.41
273	2410	71	\$ 285.28	\$ 14.26	\$ 299.54
274	2411	48	\$ 192.86	\$ 9.64	\$ 202.50
275	2412	64	\$ 257.15	\$ 12.86	\$ 270.01
276	2501	60	\$ 241.08	\$ 12.05	\$ 253.13
277	2502	79	\$ 317.42	\$ 15.87	\$ 333.29
278	2503	40	\$ 160.72	\$ 8.04	\$ 168.76
279	2504	79	\$ 317.42	\$ 15.87	\$ 333.29
280	2505	54	\$ 216.97	\$ 10.85	\$ 227.82
281	2506	55	\$ 220.99	\$ 11.05	\$ 232.04
282	2507	57	\$ 229.03	\$ 11.45	\$ 240.48
283	2508	74	\$ 297.33	\$ 14.87	\$ 312.20
284	2509	43	\$ 172.77	\$ 8.64	\$ 181.41
285	2510	71	\$ 285.28	\$ 14.26	\$ 299.54
286	2511	48	\$ 192.86	\$ 9.64	\$ 202.50
287	2512	64	\$ 257.15	\$ 12.86	\$ 270.01

**UNIVERSITY DISTRICT NORTH
NORTH TOWER**

Proposed Interim Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
288	2601	60	\$ 241.08	\$ 12.05	\$ 253.13
289	2602	79	\$ 317.42	\$ 15.87	\$ 333.29
290	2603	40	\$ 160.72	\$ 8.04	\$ 168.76
291	2604	79	\$ 317.42	\$ 15.87	\$ 333.29
292	2605	54	\$ 216.97	\$ 10.85	\$ 227.82
293	2606	55	\$ 220.99	\$ 11.05	\$ 232.04
294	2607	57	\$ 229.03	\$ 11.45	\$ 240.48
295	2608	74	\$ 297.33	\$ 14.87	\$ 312.20
296	2609	43	\$ 172.77	\$ 8.64	\$ 181.41
297	2610	71	\$ 285.28	\$ 14.26	\$ 299.54
298	2611	48	\$ 192.86	\$ 9.64	\$ 202.50
299	2612	64	\$ 257.15	\$ 12.86	\$ 270.01
300	2701	68	\$ 273.22	\$ 13.66	\$ 286.88
301	2702	58	\$ 233.04	\$ 11.65	\$ 244.69
302	2703	55	\$ 220.99	\$ 11.05	\$ 232.04
303	2704	57	\$ 229.03	\$ 11.45	\$ 240.48
304	2705	74	\$ 297.33	\$ 14.87	\$ 312.20
305	2706	43	\$ 172.77	\$ 8.64	\$ 181.41
306	2707	71	\$ 285.28	\$ 14.26	\$ 299.54
307	2708	48	\$ 192.86	\$ 9.64	\$ 202.50
308	2709	64	\$ 257.15	\$ 12.86	\$ 270.01
309	2801	68	\$ 273.22	\$ 13.66	\$ 286.88
310	2802	58	\$ 233.04	\$ 11.65	\$ 244.69
311	2803	55	\$ 220.99	\$ 11.05	\$ 232.04
312	2804	57	\$ 229.03	\$ 11.45	\$ 240.48
313	2805	74	\$ 297.33	\$ 14.87	\$ 312.20
314	2806	43	\$ 172.77	\$ 8.64	\$ 181.41
315	2807	71	\$ 285.28	\$ 14.26	\$ 299.54
316	2808	48	\$ 192.86	\$ 9.64	\$ 202.50
317	2809	64	\$ 257.15	\$ 12.86	\$ 270.01
318	TH1	152	\$ 610.73	\$ 30.54	\$ 641.27
319	TH2	137	\$ 550.46	\$ 27.52	\$ 577.98
320	TH3	137	\$ 550.46	\$ 27.52	\$ 577.98
321	TH4	137	\$ 550.46	\$ 27.52	\$ 577.98
322	TH5	137	\$ 550.46	\$ 27.52	\$ 577.98
Total	19950		\$ 80,158.75	\$ 4,007.91	\$ 84,166.66
Annual Totals			\$ 961,905.00	\$ 48,094.92	\$ 1,009,999.92

UNIVERSITY DISTRICT NORTH
NORTH TOWER

Proposed 1st Annual Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
1	TH3	119	\$ 504.46	\$ 50.45	\$ 554.91
2	TH2	116	\$ 491.75	\$ 49.17	\$ 540.92
3	TH1	118	\$ 500.22	\$ 50.02	\$ 550.24
4	101	63	\$ 267.07	\$ 26.71	\$ 293.78
5	102	44	\$ 186.52	\$ 18.65	\$ 205.17
6	103	55	\$ 233.16	\$ 23.32	\$ 256.48
7	104	54	\$ 228.92	\$ 22.89	\$ 251.81
8	201	62	\$ 262.83	\$ 26.28	\$ 289.11
9	202	51	\$ 216.20	\$ 21.62	\$ 237.82
10	203	56	\$ 237.39	\$ 23.74	\$ 261.13
11	204	60	\$ 254.35	\$ 25.44	\$ 279.79
12	301	60	\$ 254.35	\$ 25.44	\$ 279.79
13	302	79	\$ 334.90	\$ 33.49	\$ 368.39
14	303	40	\$ 169.57	\$ 16.96	\$ 186.53
15	304	79	\$ 334.90	\$ 33.49	\$ 368.39
16	305	54	\$ 228.92	\$ 22.89	\$ 251.81
17	306	55	\$ 233.16	\$ 23.32	\$ 256.48
18	307	57	\$ 241.63	\$ 24.16	\$ 265.79
19	308	74	\$ 313.70	\$ 31.37	\$ 345.07
20	309	43	\$ 182.29	\$ 18.23	\$ 200.52
21	310	71	\$ 300.98	\$ 30.10	\$ 331.08
22	311	48	\$ 203.48	\$ 20.35	\$ 223.83
23	312	64	\$ 271.31	\$ 27.13	\$ 298.44
24	401	60	\$ 254.35	\$ 25.44	\$ 279.79
25	402	79	\$ 334.90	\$ 33.49	\$ 368.39
26	403	40	\$ 169.57	\$ 16.96	\$ 186.53
27	404	79	\$ 334.90	\$ 33.49	\$ 368.39
28	405	54	\$ 228.92	\$ 22.89	\$ 251.81
29	406	55	\$ 233.16	\$ 23.32	\$ 256.48
30	407	57	\$ 241.63	\$ 24.16	\$ 265.79
31	408	74	\$ 313.70	\$ 31.37	\$ 345.07
32	409	43	\$ 182.29	\$ 18.23	\$ 200.52
33	410	71	\$ 300.98	\$ 30.10	\$ 331.08
34	411	48	\$ 203.48	\$ 20.35	\$ 223.83
35	412	64	\$ 271.31	\$ 27.13	\$ 298.44
36	501	60	\$ 254.35	\$ 25.44	\$ 279.79
37	502	79	\$ 334.90	\$ 33.49	\$ 368.39
38	503	40	\$ 169.57	\$ 16.96	\$ 186.53

UNIVERSITY DISTRICT NORTH
NORTH TOWER

Proposed 1st Annual Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
39	504	79	\$ 334.90	\$ 33.49	\$ 368.39
40	505	54	\$ 228.92	\$ 22.89	\$ 251.81
41	506	55	\$ 233.16	\$ 23.32	\$ 256.48
42	507	57	\$ 241.63	\$ 24.16	\$ 265.79
43	508	74	\$ 313.70	\$ 31.37	\$ 345.07
44	509	43	\$ 182.29	\$ 18.23	\$ 200.52
45	510	71	\$ 300.98	\$ 30.10	\$ 331.08
46	511	48	\$ 203.48	\$ 20.35	\$ 223.83
47	512	64	\$ 271.31	\$ 27.13	\$ 298.44
48	601	60	\$ 254.35	\$ 25.44	\$ 279.79
49	602	79	\$ 334.90	\$ 33.49	\$ 368.39
50	603	40	\$ 169.57	\$ 16.96	\$ 186.53
51	604	79	\$ 334.90	\$ 33.49	\$ 368.39
52	605	54	\$ 228.92	\$ 22.89	\$ 251.81
53	606	55	\$ 233.16	\$ 23.32	\$ 256.48
54	607	57	\$ 241.63	\$ 24.16	\$ 265.79
55	608	74	\$ 313.70	\$ 31.37	\$ 345.07
56	609	43	\$ 182.29	\$ 18.23	\$ 200.52
57	610	71	\$ 300.98	\$ 30.10	\$ 331.08
58	611	48	\$ 203.48	\$ 20.35	\$ 223.83
59	612	64	\$ 271.31	\$ 27.13	\$ 298.44
60	701	60	\$ 254.35	\$ 25.44	\$ 279.79
61	702	79	\$ 334.90	\$ 33.49	\$ 368.39
62	703	40	\$ 169.57	\$ 16.96	\$ 186.53
63	704	79	\$ 334.90	\$ 33.49	\$ 368.39
64	705	54	\$ 228.92	\$ 22.89	\$ 251.81
65	706	55	\$ 233.16	\$ 23.32	\$ 256.48
66	707	57	\$ 241.63	\$ 24.16	\$ 265.79
67	708	74	\$ 313.70	\$ 31.37	\$ 345.07
68	709	43	\$ 182.29	\$ 18.23	\$ 200.52
69	710	71	\$ 300.98	\$ 30.10	\$ 331.08
70	711	48	\$ 203.48	\$ 20.35	\$ 223.83
71	712	64	\$ 271.31	\$ 27.13	\$ 298.44
72	801	60	\$ 254.35	\$ 25.44	\$ 279.79
73	802	79	\$ 334.90	\$ 33.49	\$ 368.39
74	803	40	\$ 169.57	\$ 16.96	\$ 186.53
75	804	79	\$ 334.90	\$ 33.49	\$ 368.39
76	805	54	\$ 228.92	\$ 22.89	\$ 251.81

UNIVERSITY DISTRICT NORTH
NORTH TOWER

Proposed 1st Annual Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
77	806	55	\$ 233.16	\$ 23.32	\$ 256.48
78	807	57	\$ 241.63	\$ 24.16	\$ 265.79
79	808	74	\$ 313.70	\$ 31.37	\$ 345.07
80	809	43	\$ 182.29	\$ 18.23	\$ 200.52
81	810	71	\$ 300.98	\$ 30.10	\$ 331.08
82	811	48	\$ 203.48	\$ 20.35	\$ 223.83
83	812	64	\$ 271.31	\$ 27.13	\$ 298.44
84	901	60	\$ 254.35	\$ 25.44	\$ 279.79
85	902	79	\$ 334.90	\$ 33.49	\$ 368.39
86	903	40	\$ 169.57	\$ 16.96	\$ 186.53
87	904	79	\$ 334.90	\$ 33.49	\$ 368.39
88	905	54	\$ 228.92	\$ 22.89	\$ 251.81
89	906	55	\$ 233.16	\$ 23.32	\$ 256.48
90	907	57	\$ 241.63	\$ 24.16	\$ 265.79
91	908	74	\$ 313.70	\$ 31.37	\$ 345.07
92	909	43	\$ 182.29	\$ 18.23	\$ 200.52
93	910	71	\$ 300.98	\$ 30.10	\$ 331.08
94	911	48	\$ 203.48	\$ 20.35	\$ 223.83
95	912	64	\$ 271.31	\$ 27.13	\$ 298.44
96	1001	60	\$ 254.35	\$ 25.44	\$ 279.79
97	1002	79	\$ 334.90	\$ 33.49	\$ 368.39
98	1003	40	\$ 169.57	\$ 16.96	\$ 186.53
99	1004	79	\$ 334.90	\$ 33.49	\$ 368.39
100	1005	54	\$ 228.92	\$ 22.89	\$ 251.81
101	1006	55	\$ 233.16	\$ 23.32	\$ 256.48
102	1007	57	\$ 241.63	\$ 24.16	\$ 265.79
103	1008	74	\$ 313.70	\$ 31.37	\$ 345.07
104	1009	43	\$ 182.29	\$ 18.23	\$ 200.52
105	1010	71	\$ 300.98	\$ 30.10	\$ 331.08
106	1011	48	\$ 203.48	\$ 20.35	\$ 223.83
107	1012	64	\$ 271.31	\$ 27.13	\$ 298.44
108	1101	60	\$ 254.35	\$ 25.44	\$ 279.79
109	1102	79	\$ 334.90	\$ 33.49	\$ 368.39
110	1103	40	\$ 169.57	\$ 16.96	\$ 186.53
111	1104	79	\$ 334.90	\$ 33.49	\$ 368.39
112	1105	54	\$ 228.92	\$ 22.89	\$ 251.81
113	1106	55	\$ 233.16	\$ 23.32	\$ 256.48
114	1107	57	\$ 241.63	\$ 24.16	\$ 265.79

UNIVERSITY DISTRICT NORTH
NORTH TOWER

Proposed 1st Annual Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
115	1108	74	\$ 313.70	\$ 31.37	\$ 345.07
116	1109	43	\$ 182.29	\$ 18.23	\$ 200.52
117	1110	71	\$ 300.98	\$ 30.10	\$ 331.08
118	1111	48	\$ 203.48	\$ 20.35	\$ 223.83
119	1112	64	\$ 271.31	\$ 27.13	\$ 298.44
120	1201	60	\$ 254.35	\$ 25.44	\$ 279.79
121	1202	79	\$ 334.90	\$ 33.49	\$ 368.39
122	1203	40	\$ 169.57	\$ 16.96	\$ 186.53
123	1204	79	\$ 334.90	\$ 33.49	\$ 368.39
124	1205	54	\$ 228.92	\$ 22.89	\$ 251.81
125	1206	55	\$ 233.16	\$ 23.32	\$ 256.48
126	1207	57	\$ 241.63	\$ 24.16	\$ 265.79
127	1208	74	\$ 313.70	\$ 31.37	\$ 345.07
128	1209	43	\$ 182.29	\$ 18.23	\$ 200.52
129	1210	71	\$ 300.98	\$ 30.10	\$ 331.08
130	1211	48	\$ 203.48	\$ 20.35	\$ 223.83
131	1212	64	\$ 271.31	\$ 27.13	\$ 298.44
132	1301	60	\$ 254.35	\$ 25.44	\$ 279.79
133	1302	79	\$ 334.90	\$ 33.49	\$ 368.39
134	1303	40	\$ 169.57	\$ 16.96	\$ 186.53
135	1304	79	\$ 334.90	\$ 33.49	\$ 368.39
136	1305	54	\$ 228.92	\$ 22.89	\$ 251.81
137	1306	55	\$ 233.16	\$ 23.32	\$ 256.48
138	1307	57	\$ 241.63	\$ 24.16	\$ 265.79
139	1308	74	\$ 313.70	\$ 31.37	\$ 345.07
140	1309	43	\$ 182.29	\$ 18.23	\$ 200.52
141	1310	71	\$ 300.98	\$ 30.10	\$ 331.08
142	1311	48	\$ 203.48	\$ 20.35	\$ 223.83
143	1312	64	\$ 271.31	\$ 27.13	\$ 298.44
144	1401	60	\$ 254.35	\$ 25.44	\$ 279.79
145	1402	79	\$ 334.90	\$ 33.49	\$ 368.39
146	1403	40	\$ 169.57	\$ 16.96	\$ 186.53
147	1404	79	\$ 334.90	\$ 33.49	\$ 368.39
148	1405	54	\$ 228.92	\$ 22.89	\$ 251.81
149	1406	55	\$ 233.16	\$ 23.32	\$ 256.48
150	1407	57	\$ 241.63	\$ 24.16	\$ 265.79
151	1408	74	\$ 313.70	\$ 31.37	\$ 345.07
152	1409	43	\$ 182.29	\$ 18.23	\$ 200.52

**UNIVERSITY DISTRICT NORTH
NORTH TOWER**

Proposed 1st Annual Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
153	1410	71	\$ 300.98	\$ 30.10	\$ 331.08
154	1411	48	\$ 203.48	\$ 20.35	\$ 223.83
155	1412	64	\$ 271.31	\$ 27.13	\$ 298.44
156	1501	60	\$ 254.35	\$ 25.44	\$ 279.79
157	1502	79	\$ 334.90	\$ 33.49	\$ 368.39
158	1503	40	\$ 169.57	\$ 16.96	\$ 186.53
159	1504	79	\$ 334.90	\$ 33.49	\$ 368.39
160	1505	54	\$ 228.92	\$ 22.89	\$ 251.81
161	1506	55	\$ 233.16	\$ 23.32	\$ 256.48
162	1507	57	\$ 241.63	\$ 24.16	\$ 265.79
163	1508	74	\$ 313.70	\$ 31.37	\$ 345.07
164	1509	43	\$ 182.29	\$ 18.23	\$ 200.52
165	1510	71	\$ 300.98	\$ 30.10	\$ 331.08
166	1511	48	\$ 203.48	\$ 20.35	\$ 223.83
167	1512	64	\$ 271.31	\$ 27.13	\$ 298.44
168	1601	60	\$ 254.35	\$ 25.44	\$ 279.79
169	1602	79	\$ 334.90	\$ 33.49	\$ 368.39
170	1603	40	\$ 169.57	\$ 16.96	\$ 186.53
171	1604	79	\$ 334.90	\$ 33.49	\$ 368.39
172	1605	54	\$ 228.92	\$ 22.89	\$ 251.81
173	1606	55	\$ 233.16	\$ 23.32	\$ 256.48
174	1607	57	\$ 241.63	\$ 24.16	\$ 265.79
175	1608	74	\$ 313.70	\$ 31.37	\$ 345.07
176	1609	43	\$ 182.29	\$ 18.23	\$ 200.52
177	1610	71	\$ 300.98	\$ 30.10	\$ 331.08
178	1611	48	\$ 203.48	\$ 20.35	\$ 223.83
179	1612	64	\$ 271.31	\$ 27.13	\$ 298.44
180	1701	60	\$ 254.35	\$ 25.44	\$ 279.79
181	1702	79	\$ 334.90	\$ 33.49	\$ 368.39
182	1703	40	\$ 169.57	\$ 16.96	\$ 186.53
183	1704	79	\$ 334.90	\$ 33.49	\$ 368.39
184	1705	54	\$ 228.92	\$ 22.89	\$ 251.81
185	1706	55	\$ 233.16	\$ 23.32	\$ 256.48
186	1707	57	\$ 241.63	\$ 24.16	\$ 265.79
187	1708	74	\$ 313.70	\$ 31.37	\$ 345.07
188	1709	43	\$ 182.29	\$ 18.23	\$ 200.52
189	1710	71	\$ 300.98	\$ 30.10	\$ 331.08
190	1711	48	\$ 203.48	\$ 20.35	\$ 223.83

UNIVERSITY DISTRICT NORTH
NORTH TOWER

Proposed 1st Annual Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
191	1712	64	\$ 271.31	\$ 27.13	\$ 298.44
192	1801	60	\$ 254.35	\$ 25.44	\$ 279.79
193	1802	79	\$ 334.90	\$ 33.49	\$ 368.39
194	1803	40	\$ 169.57	\$ 16.96	\$ 186.53
195	1804	79	\$ 334.90	\$ 33.49	\$ 368.39
196	1805	54	\$ 228.92	\$ 22.89	\$ 251.81
197	1806	55	\$ 233.16	\$ 23.32	\$ 256.48
198	1807	57	\$ 241.63	\$ 24.16	\$ 265.79
199	1808	74	\$ 313.70	\$ 31.37	\$ 345.07
200	1809	43	\$ 182.29	\$ 18.23	\$ 200.52
201	1810	71	\$ 300.98	\$ 30.10	\$ 331.08
202	1811	48	\$ 203.48	\$ 20.35	\$ 223.83
203	1812	64	\$ 271.31	\$ 27.13	\$ 298.44
204	1901	60	\$ 254.35	\$ 25.44	\$ 279.79
205	1902	79	\$ 334.90	\$ 33.49	\$ 368.39
206	1903	40	\$ 169.57	\$ 16.96	\$ 186.53
207	1904	79	\$ 334.90	\$ 33.49	\$ 368.39
208	1905	54	\$ 228.92	\$ 22.89	\$ 251.81
209	1906	55	\$ 233.16	\$ 23.32	\$ 256.48
210	1907	57	\$ 241.63	\$ 24.16	\$ 265.79
211	1908	74	\$ 313.70	\$ 31.37	\$ 345.07
212	1909	43	\$ 182.29	\$ 18.23	\$ 200.52
213	1910	71	\$ 300.98	\$ 30.10	\$ 331.08
214	1911	48	\$ 203.48	\$ 20.35	\$ 223.83
215	1912	64	\$ 271.31	\$ 27.13	\$ 298.44
216	2001	60	\$ 254.35	\$ 25.44	\$ 279.79
217	2002	79	\$ 334.90	\$ 33.49	\$ 368.39
218	2003	40	\$ 169.57	\$ 16.96	\$ 186.53
219	2004	79	\$ 334.90	\$ 33.49	\$ 368.39
220	2005	54	\$ 228.92	\$ 22.89	\$ 251.81
221	2006	55	\$ 233.16	\$ 23.32	\$ 256.48
222	2007	57	\$ 241.63	\$ 24.16	\$ 265.79
223	2008	74	\$ 313.70	\$ 31.37	\$ 345.07
224	2009	43	\$ 182.29	\$ 18.23	\$ 200.52
225	2010	71	\$ 300.98	\$ 30.10	\$ 331.08
226	2011	48	\$ 203.48	\$ 20.35	\$ 223.83
227	2012	64	\$ 271.31	\$ 27.13	\$ 298.44
228	2101	60	\$ 254.35	\$ 25.44	\$ 279.79

**UNIVERSITY DISTRICT NORTH
NORTH TOWER**

Proposed 1st Annual Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
229	2102	79	\$ 334.90	\$ 33.49	\$ 368.39
230	2103	40	\$ 169.57	\$ 16.96	\$ 186.53
231	2104	79	\$ 334.90	\$ 33.49	\$ 368.39
232	2105	54	\$ 228.92	\$ 22.89	\$ 251.81
233	2106	55	\$ 233.16	\$ 23.32	\$ 256.48
234	2107	57	\$ 241.63	\$ 24.16	\$ 265.79
235	2108	74	\$ 313.70	\$ 31.37	\$ 345.07
236	2109	43	\$ 182.29	\$ 18.23	\$ 200.52
237	2110	71	\$ 300.98	\$ 30.10	\$ 331.08
238	2111	48	\$ 203.48	\$ 20.35	\$ 223.83
239	2112	64	\$ 271.31	\$ 27.13	\$ 298.44
240	2201	60	\$ 254.35	\$ 25.44	\$ 279.79
241	2202	79	\$ 334.90	\$ 33.49	\$ 368.39
242	2203	40	\$ 169.57	\$ 16.96	\$ 186.53
243	2204	79	\$ 334.90	\$ 33.49	\$ 368.39
244	2205	54	\$ 228.92	\$ 22.89	\$ 251.81
245	2206	55	\$ 233.16	\$ 23.32	\$ 256.48
246	2207	57	\$ 241.63	\$ 24.16	\$ 265.79
247	2208	74	\$ 313.70	\$ 31.37	\$ 345.07
248	2209	43	\$ 182.29	\$ 18.23	\$ 200.52
249	2210	71	\$ 300.98	\$ 30.10	\$ 331.08
250	2211	48	\$ 203.48	\$ 20.35	\$ 223.83
251	2212	64	\$ 271.31	\$ 27.13	\$ 298.44
252	2301	60	\$ 254.35	\$ 25.44	\$ 279.79
253	2302	79	\$ 334.90	\$ 33.49	\$ 368.39
254	2303	40	\$ 169.57	\$ 16.96	\$ 186.53
255	2304	79	\$ 334.90	\$ 33.49	\$ 368.39
256	2305	54	\$ 228.92	\$ 22.89	\$ 251.81
257	2306	55	\$ 233.16	\$ 23.32	\$ 256.48
258	2307	57	\$ 241.63	\$ 24.16	\$ 265.79
259	2308	74	\$ 313.70	\$ 31.37	\$ 345.07
260	2309	43	\$ 182.29	\$ 18.23	\$ 200.52
261	2310	71	\$ 300.98	\$ 30.10	\$ 331.08
262	2311	48	\$ 203.48	\$ 20.35	\$ 223.83
263	2312	64	\$ 271.31	\$ 27.13	\$ 298.44
264	2401	60	\$ 254.35	\$ 25.44	\$ 279.79
265	2402	79	\$ 334.90	\$ 33.49	\$ 368.39
266	2403	40	\$ 169.57	\$ 16.96	\$ 186.53

**UNIVERSITY DISTRICT NORTH
NORTH TOWER**

Proposed 1st Annual Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
267	2404	79	\$ 334.90	\$ 33.49	\$ 368.39
268	2405	54	\$ 228.92	\$ 22.89	\$ 251.81
269	2406	55	\$ 233.16	\$ 23.32	\$ 256.48
270	2407	57	\$ 241.63	\$ 24.16	\$ 265.79
271	2408	74	\$ 313.70	\$ 31.37	\$ 345.07
272	2409	43	\$ 182.29	\$ 18.23	\$ 200.52
273	2410	71	\$ 300.98	\$ 30.10	\$ 331.08
274	2411	48	\$ 203.48	\$ 20.35	\$ 223.83
275	2412	64	\$ 271.31	\$ 27.13	\$ 298.44
276	2501	60	\$ 254.35	\$ 25.44	\$ 279.79
277	2502	79	\$ 334.90	\$ 33.49	\$ 368.39
278	2503	40	\$ 169.57	\$ 16.96	\$ 186.53
279	2504	79	\$ 334.90	\$ 33.49	\$ 368.39
280	2505	54	\$ 228.92	\$ 22.89	\$ 251.81
281	2506	55	\$ 233.16	\$ 23.32	\$ 256.48
282	2507	57	\$ 241.63	\$ 24.16	\$ 265.79
283	2508	74	\$ 313.70	\$ 31.37	\$ 345.07
284	2509	43	\$ 182.29	\$ 18.23	\$ 200.52
285	2510	71	\$ 300.98	\$ 30.10	\$ 331.08
286	2511	48	\$ 203.48	\$ 20.35	\$ 223.83
287	2512	64	\$ 271.31	\$ 27.13	\$ 298.44
288	2601	60	\$ 254.35	\$ 25.44	\$ 279.79
289	2602	79	\$ 334.90	\$ 33.49	\$ 368.39
290	2603	40	\$ 169.57	\$ 16.96	\$ 186.53
291	2604	79	\$ 334.90	\$ 33.49	\$ 368.39
292	2605	54	\$ 228.92	\$ 22.89	\$ 251.81
293	2606	55	\$ 233.16	\$ 23.32	\$ 256.48
294	2607	57	\$ 241.63	\$ 24.16	\$ 265.79
295	2608	74	\$ 313.70	\$ 31.37	\$ 345.07
296	2609	43	\$ 182.29	\$ 18.23	\$ 200.52
297	2610	71	\$ 300.98	\$ 30.10	\$ 331.08
298	2611	48	\$ 203.48	\$ 20.35	\$ 223.83
299	2612	64	\$ 271.31	\$ 27.13	\$ 298.44
300	2701	68	\$ 288.26	\$ 28.83	\$ 317.09
301	2702	58	\$ 245.87	\$ 24.59	\$ 270.46
302	2703	55	\$ 233.16	\$ 23.32	\$ 256.48
303	2704	57	\$ 241.63	\$ 24.16	\$ 265.79
304	2705	74	\$ 313.70	\$ 31.37	\$ 345.07

**UNIVERSITY DISTRICT NORTH
NORTH TOWER**

Proposed 1st Annual Strata Fees

Strata Lot No.	Unit #	Unit Entitlement	Operating Expenses	Contingency	Total Monthly Strata Fee
305	2706	43	\$ 182.29	\$ 18.23	\$ 200.52
306	2707	71	\$ 300.98	\$ 30.10	\$ 331.08
307	2708	48	\$ 203.48	\$ 20.35	\$ 223.83
308	2709	64	\$ 271.31	\$ 27.13	\$ 298.44
309	2801	68	\$ 288.26	\$ 28.83	\$ 317.09
310	2802	58	\$ 245.87	\$ 24.59	\$ 270.46
311	2803	55	\$ 233.16	\$ 23.32	\$ 256.48
312	2804	57	\$ 241.63	\$ 24.16	\$ 265.79
313	2805	74	\$ 313.70	\$ 31.37	\$ 345.07
314	2806	43	\$ 182.29	\$ 18.23	\$ 200.52
315	2807	71	\$ 300.98	\$ 30.10	\$ 331.08
316	2808	48	\$ 203.48	\$ 20.35	\$ 223.83
317	2809	64	\$ 271.31	\$ 27.13	\$ 298.44
318	TH1	152	\$ 644.36	\$ 64.44	\$ 708.80
319	TH2	137	\$ 580.77	\$ 58.08	\$ 638.85
320	TH3	137	\$ 580.77	\$ 58.08	\$ 638.85
321	TH4	137	\$ 580.77	\$ 58.08	\$ 638.85
322	TH5	137	\$ 580.77	\$ 58.08	\$ 638.85
Total		19950	\$ 84,572.23	\$ 8,457.53	\$ 93,029.76
Annual Totals			\$ 1,014,866.76	\$ 101,490.36	\$ 1,116,357.12

EXHIBIT "G"

**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:

<u>Parcel Identifier</u>	<u>Legal Description</u>
_____	_____

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: _____

BLUESKY PROPERTIES (UD LANDS) INC.
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 BlueSky Properties (UD 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 BlueSky Properties (UD Lands) Inc. and BlueSky Properties (UD 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 BlueSky Properties (UD 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 BlueSky Properties (UD Lands) Inc. 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 "H"

**PROPOSED 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 Parking/Storage Agreement”)

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

BETWEEN:

BLUESKY PROPERTIES (UD LANDS) INC., a body corporate duly incorporated under the laws of the Province of British Columbia, having its registered office at 1201 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6

(the “**Owner**”)

AND:

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

(the “**Tenant**”)

WITNESSES THAT WHEREAS:

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

Parcel Identifier:

Legal Description:

(the “**Lands**”);

- B. The Owner has agreed to:

- (a) lease to the Tenant all of the parking stalls (the “**Stalls**”) in the underground parking facility;
- (b) lease to the 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 the Tenant to grant partial assignments of this Agreement pertaining to particular Stalls and the Storage Lockers; and

- (c) grant to the Tenant a contractual license to use the Bosa Volt Charging Stations (as hereinafter defined) which may be installed by the Owner in one or more of the Stalls and title to which will ultimately be conveyed by the Owner to the Strata Corporation in accordance with, but subject to, the terms of this Agreement;
- C. After entering into this Agreement, the 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 the 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 the 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 the 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 the Tenant to the Owner, the receipt and sufficiency of which is hereby acknowledged by the 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 the Owner or its successors in a Stall.

ARTICLE 2
PARKING FACILITY/STORAGE LOCKER LEASE
GRANT AND TERM

2.01 Grant

The Owner hereby leases to the Tenant for the Term (as defined in section 2.02) all of the Stalls and Storage Lockers. The Owner and the Tenant agree that the 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 the Tenant by the Owner fourteen (14) day prior to the date of filing of the Strata Plan in the Land Title Office. Prior thereto, the Tenant will have no right to enter the Lands or otherwise obtain possession of the Stalls and Storage Lockers.

However, the 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 the Tenant, the lease contained herein will be construed to be a binding agreement to lease the Stalls and Storage Lockers between the Owner and the Tenant and thereafter a binding lease between the Owner and the Tenant.

2.03 Rent

The parties to this Agreement acknowledge that, except for the amounts payable by the Tenant pursuant to Article 4 in connection with the BVCS contractual license, the sum of \$10.00 now paid by the Tenant to the Owner will be the only payment required to be paid to the Owner by the 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 the 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 the 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 the 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 the Tenant (the receipt of which is hereby acknowledged by the Owner), the Owner hereby gives the Tenant a contractual license to use the BVCS (if any) installed by the Owner within the particular Stall leased to the Tenant under the lease contained herein for the same period equal to the Term. The parties acknowledge and agree that the 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

The Owner covenants and agrees with the 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 the Owner to provide a continuous supply of electricity to the BVCS for the benefit of the Tenant. The Owner will not be liable to the 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 the 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 the Tenant as an additional named insured.

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

4.05 Tenant's Covenants

The Tenant covenants with the 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 the Owner's and/or the manufacturer's instructions and to promptly report to the Owner or the 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 the Owner upon presentation of the 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 the Tenant or the purchaser of a Strata Lot within the Strata Development to whom the 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 the Owner harmless and to defend the 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 the Tenant or by those who the 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 the Tenant as set forth in this Agreement. The 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 the Owner hereunder whereupon the Owner will be released from its obligations to the 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) The 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.

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 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 the 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 the Tenant or any subsequent assignee under this Agreement.

5.02 Alterations

The 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 the Owner prior to the registration of the Strata Plan, and thereafter of the Strata Corporation as provided herein.

5.03 Subordination.

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

5.04 No Right to Encumber

The 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.

This portion of the document is intentionally blank.

ARTICLE 6
ASSIGNMENT

6.01 Partial Assignments

The 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 the Tenant may, in its sole discretion determine, which consideration may be retained by the Tenant for its own benefit. Any partial assignment by the 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), the 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

The 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 situated 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 the Owner or the 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 conform to the 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.

BLUESKY PROPERTIES (UD LANDS) INC.
as the Owner

Authorized Signatory

BLUESKY PROPERTIES (UD PARKING) INC.
as the Tenant

Authorized Signatory

SCHEDULE "A"

PLAN OF PARKING AND STORAGE *

(See Next Page)

* The Plan of Parking and Storage 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)

* See Exhibit "H" of the Disclosure Statement for a draft copy of the Form of Assignment

EXHIBIT "I"

**PROPOSED FORM OF 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**

UNIVERSITY DISTRICT NORTH

BETWEEN: **BlueSky Properties (UD 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") (if applicable) 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 University District – 2 at Surrey, B.C.

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 BlueSky Properties (UD Lands) Inc., as "Owner" and BlueSky Properties (UD 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 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 its 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:

**BLUESKY PROPERTIES (UD
PARKING) INC.**

Per: _____

EXHIBIT "J"

**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 027-688-615 Lot 1 Section 10 Township 1 New Westminster District Plan BCP38589.

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

- 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/mmm/yyyy]

- 1 The development described above includes three hundred twenty-two (322) 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 <i>[strata lot number as shown on the strata plan]</i>	Date Rental Period Expires <i>[specify a date—"indefinitely" or timing related to an event is not acceptable]*</i>
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 three hundred twenty-two (322) 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 <i>[strata lot number as shown on the strata plan]</i>	Date Rental Period Expires <i>[specify a date—"indefinitely" or timing related to an event is not acceptable]*</i>
Strata Lots 1 to 322 inclusive	October 17, 2218

*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: October 17, 2018



.....
Signature of Owner Developer –
BlueSky Properties (UD Lands) Inc.

Dale Bosa
President

EXHIBIT "K"

**HANDLING DEPOSITS –
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 "L"

FORM OF AGREEMENT OF PURCHASE AND SALE

(See Next Page)

SUITE / TOWNHOME # _____ SL # _____

SALESPERSON _____



UNIVERSITY DISTRICT

Date: _____, 2018

University District North Agreement of Purchase and Sale PART 1

VENDOR:

BlueSky Properties (UD Lands) Inc.; and BlueSky Properties (UD North) Inc. 1201 – 838 West Hastings Street, Vancouver, British Columbia V6C 0A6

PURCHASER(S):

(Circle one) Mr. Miss Ms. Mrs.

(Circle one) Mr. Miss Ms. Mrs.

Full Name: _____

Full Name: _____

Occupation: _____

Occupation: _____

Address: _____

Address: _____

City: _____

City: _____

Province: _____

Province: _____

Postal Code: _____

Postal Code: _____

Tel: _____ Bus: _____

Tel: _____ Bus: _____

Fax: _____ SIN: _____

Fax: _____ SIN: _____

E-Mail: _____

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: (check one)

- Options for purchase: Suite #, Townhome #, Townhome #

being Strata Lot (the "Strata Lot") as more specifically described in the proposed strata plan (the "Strata Plan") attached as an exhibit to the Disclosure Statement (hereinafter defined) at the price and on the terms and conditions contained herein.

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 Twenty Thousand Dollars by way of bank draft upon presentation of this Offer to the Vendor, increased to 10% of the Purchase

Three empty boxes for stamp or signature.

Price on or before the expiry of the Rescission Period referred to on Page 2 of the Disclosure Statement; \$ _____

b) a further deposit (the "Second Deposit") of 5% of the Purchase Price on the later of: (i) one hundred eighty (180) days after the date of this Agreement of Purchase and Sale; and (ii) within seven (7) days of delivery to 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 delivery to 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 final deposit (the "Fourth Deposit") of 5% of the Purchase Price within twelve (12) months of delivery to the Purchaser of the Amendment to Disclosure Statement referred to in Paragraph 11.0 of Part 2 of this Agreement of Purchase and Sale; and \$ _____

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 | (e) Dishwasher |
| (b) Oven | (f) Microwave |
| (c) Cooktop | (g) Washer and Dryer (which may be a stacked unit) |
| (d) Hood Fan | (h) Window Coverings |

1.03 Colour Scheme – either Light Medium or Dark (check one)

Note: Provided that the construction of the Strata Lot has not already proceeded such that the colour scheme can no longer be selected by the Purchaser, the Purchaser may select the colour scheme by written notice to the Vendor given no later than 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.

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

The Purchaser hereby acknowledges to the Vendor that he/she/they:

- has/have an agency relationship with _____ as agent / brokerage (the "Selling Agent"),
and _____ as his/her/their salesperson and is relying on its Selling Agent for advice in connection with this Contract and the purchase of the Strata Lot.
- has/have no agency relationship with any agent/brokerage/salesperson and is self-represented in this Contract.

The Purchaser further acknowledges to the Vendor that the Vendor may, for the benefit of the Vendor, have the Vendor's representatives coordinate with the Purchaser, prepare this Contract and answer the Purchaser's questions with respect to this Contract, however, the Purchaser agrees that the Vendor's representatives do not represent the Purchaser, and the Purchaser hereby confirms that he/she/they is/are not relying on the Vendor's representatives for any advice in connection with this Contract.

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 _____, 2018 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.

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THE PURCHASER HAS EXECUTED THIS AGREEMENT on _____, 2018.

Witness

Purchaser

Witness

Purchaser

THIS AGREEMENT OF PURCHASE AND SALE is accepted by the Vendor on _____, 2018.

BLUESKY PROPERTIES (UD LANDS) INC.

Per: _____
Authorized Signatory

BLUESKY PROPERTIES (UD NORTH) INC.

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.

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

The Purchaser hereby acknowledges having received on the _____ day of _____, 2018 and having had an opportunity to read a copy of the Disclosure Statement dated October 17, 2018 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.

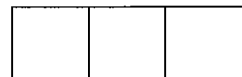
The Purchaser hereby confirms that he/she/they has/have read this Agreement of Purchase and Sale including the attached Part 2 and further confirms that other than the warranties and representations and the terms and conditions contained in writing herein and in the Disclosure Statement, NO REPRESENTATIONS,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

Witness

Purchaser

Witness

Purchaser





**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 appliances will be those as viewed by the Purchaser on or before the date the Purchaser executed this Agreement, or in the case of lack of availability, will be fixtures, fittings and appliances of reasonably similar appearance and quality. 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 or lower 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 and paid to the Vendor;
- (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 at law or in equity;
- (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 at law or in equity.

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 GST is applicable on the sale of the Strata Lot to the Purchaser. The parties further 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 ("**Other Applicable Taxes**") and that GST and Other Applicable Taxes are payable by the Purchaser to the Vendor in addition to the Purchase Price. 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 March 15, 2024 (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 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 5%, there will be no adjustment to the Purchase Price to reflect same. If the Variance exceeds 5%, 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 5%. If the Variance exceeds 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 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' 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

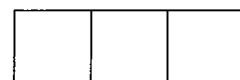
7.1 Assignment

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: (i) three hundred sixty- five (365) days after the date of this Agreement; or (ii) 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
- (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 two hundred seventy-five (275) strata lots within the Development on or before July 15, 2019;
- (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; and
 - (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,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

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- (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.

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 notice 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.

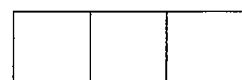
- 10.4 Governing Law. This Offer, the contract of purchase and sale resulting from the acceptance of this Offer and all matters arising hereunder will be construed in accordance with and governed by the laws of British Columbia which will be deemed to be the proper law hereof, and the courts of British 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, 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, or the general layout of the Development as shown on the Strata Plan attached to the Disclosure Statement, 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, or the general layout of the Development as shown on the Strata Plan attached to the Disclosure Statement, 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;

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- (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.

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 CORPORATE PURCHASER

If the Purchaser hereunder is a corporation, the Purchaser will cause one or more of its individual principals to enter into the Vendor's form of Indemnity Agreement Concurrently with the Purchaser's execution of this Agreement of Purchase and Sale.

14.0 STAKEHOLDER AND VENDOR'S CONVEYANCER

- 14.1 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 "M"

PROPOSED FORM OF MANAGEMENT AGREEMENTS

(See Next Page)

UNIVERSITY DISTRICT NORTH
STRATA MANAGEMENT CONTRACT

THIS AGREEMENT made the ___ day of _____ 2018.

BETWEEN:

THE OWNERS OF STRATA PLAN _____
a Strata Corporation formed under the laws of the Province of
British Columbia having its address for service at _____
105th Avenue, Surrey, BC

(the "**Strata Corporation**")

AND

MARTELLO PROPERTY SERVICES INC., a company
incorporated under the laws of the Province of British Columbia
having an office and place of business at #200 - 808 West
Hastings Street, Vancouver, B.C.

(the "**Agent**")

WHEREAS:

- A. The Strata Corporation is responsible for the control, management, maintenance and administration of the Common Property, common facilities 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; and
- C. The Strata Corporation has agreed to contract with the Agent for the purposes of providing services described herein.

THEREFORE, 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 by the parties) and in consideration of the mutual promises contained herein, the parties each agree with the other as follows:

1. INTERPRETATION

1.1 Definitions

In this Agreement, the following terms shall have the following meanings:

- (a) “**Act**” means the *Strata Property Act* (British Columbia) and amendments thereto and any regulations adopted pursuant to the Act;
- (b) “**Agent**” means the strata property agency firm described on page 1 hereof;
- (c) “**Agent’s Fees**” means all fees payable to the Agent pursuant to this Agreement;
- (d) “**Agreement**” means this agreement and any amendments thereto;
- (e) “**Annual General Meeting**” means the annual general meeting contemplated in section 40 of the Act;
- (f) “**Budget Meeting**” means a Strata Council meeting held to consider the proposed annual budget;
- (g) “**Bylaws**” means the bylaws adopted by the Strata Corporation from time to time;
- (h) “**Common Property**” has the meaning set forth in the Act and herein refers to the common property of the Strata Corporation;
- (i) “**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;
- (j) “**Meetings**” means all meetings of the Strata Corporation requiring the Agent’s attendance including but not limited to Annual General Meetings, special general meetings, Strata Council meetings, section executive meetings, Budget Meetings and committee meetings;
- (k) “**Owners**” means all present and future owners of all 323 strata lots included in the Strata Plan;
- (l) “**RESA**” means the *Real Estate Services Act* (British Columbia) and all amendments thereto and regulations adopted pursuant thereto, and includes the RESA Rules,
- (m) “**RESA Rules**” means the rules adopted by the Real Estate Council of British Columbia and prescribed pursuant to RESA;

- (n) “**Rules**” means the rules approved by the Strata Council from time to time;
- (o) “**Strata Corporation**” means the Strata Corporation described on page 1 hereof;
- (p) “**Strata Council**” means the elected strata council of the Strata Corporation; and
- (q) “**Strata Plan**” means the strata plan filed in the Land Title Office that created the Strata Corporation.

1.2 Schedules

The following schedules and addendums are attached to and form part of this Agreement:

- Schedule A – Terms
- Schedule B – General Services
- Schedule C – Schedule of Fees
- Schedule D – Special Project Agreement

2. EXCLUSIVE APPOINTMENT

- (a) The Strata Corporation hereby appoints the Agent as its sole and exclusive representative to provide 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.
- (b) The initial term of the Agreement shall commence on the date set out in item 1 of Schedule A attached hereto, and end on the date which is four (4) weeks after the date of the second Annual General Meeting. The owners’ approval by a majority resolution at the second or subsequent Annual General Meeting can renew the Strata Management Contract with the Agent.

3. AGENT’S AUTHORITY

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

3.1 General

- (a) Agent Services - To furnish the services of the Agent as agent for the Strata Corporation for the purposes of assisting the Strata Council in managing the affairs of the Strata Corporation as set out herein and as contained in the schedule of general services set forth on Schedule B attached hereto;
- (b) Administration – To assist in the administration of the Common Property, common facilities and common assets of the Strata Corporation under the direction of the Strata Council;

- (c) Strata Corporation's Performance – To coordinate with the Strata Council, the performance of all obligations required to be performed by the Strata Corporation pursuant to any agreement entered into between the Strata Corporation and any other person, firm or corporation with respect to the Strata Corporation;
- (d) Staffing – To provide sufficient staff at the Agent's expense to perform the Agent's responsibilities hereunder. The Agent may designate a representative of the Agent to be the principle contact person between the Agent and the Strata Corporation;
- (e) Contracts – With the prior written approval of the Strata Council, to enter into contracts on behalf of the Strata Corporation;

3.2 Financial

- (a) Strata Fees– To collect all monies due and owing to the Strata Corporation and deposit such monies into separate trust accounts, and to receive and record all strata fees, special levies and user fees and other revenues due to the Strata Corporation in a timely fashion;
- (b) Strata Accounts – To maintain on behalf of the Strata Corporation the following trust accounts in accordance with the Act and RESA:
 - (i) a contingency reserve fund account;
 - (ii) an operating fund account;
 - (iii) a special levy account (as needed);
- (c) Strata Corporation Monies – To deposit all receipts of the Strata Corporation in a trust account separate from the Agent's corporate accounts, in a major bank in the Province of British Columbia and otherwise hold the Strata Corporation funds, withdraw funds from the trust accounts and sign cheques or make disbursements on behalf of the Strata Corporation as directed by the Strata Corporation and in accordance with this Agreement, the Act and RESA
- (d) Unpaid Strata Fees – To demand and recover from the Owners, all strata fees, special levies or user fees and any all other monies from time to time payable by such Owners in any manner howsoever and to make and agree to all just and reasonable abatements, payments and allowances in respect thereof;
- (e) Non-Payment of Strata Fees – To follow-up on delinquent accounts, answer inquiries on assessments and where necessary, to take legal action at the expense of the Strata Corporation for and in name of the Strata Corporation to effect the collection of unpaid monthly strata fees, special levies, user fees and any other monies due to the Strata Corporation and to sign and deliver prompt and effectual receipts or other discharges or acknowledgements thereof, all at the direction of the Strata Council;

- (f) 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 an estimate of revenues and expenses when so required by the Strata Corporation and to provide an annual draft budget projection of the next financial year of the Strata Corporation for the Strata Council’s consideration and approval;
- (g) Accounting – Maintain all books, records, ledgers (synoptic and general), and files of the Strata Corporation, as required by the Act and RESA, and provide the Strata Council with an accounting statement of receipts, banking statements, disbursements, expenses and charges and a statement as to the amount of the contingency reserve and any assets consistent with the Act, RESA Rules and Bylaws, such statements to be delivered as per Section 8 hereof and provided on a monthly basis within a reasonable time after each month during the term of this Agreement, and in any event prior to the 15th day of the next month following for any previous month’s statement.
- (h) Expenditures – To pay from the Strata Corporation’s funds, all charges, expenses and outgoings whatsoever payable by, or chargeable to the Strata Corporation on a timely basis and to receive, screen and approve all invoices for payment and pay all accounts on behalf of the Strata Corporation;
- (i) Payroll Accounts – To provide payroll accounting, if necessary, including T4 and T4A summaries, Worker’s Compensation Board, and such other statements of payroll accounts as are required by any Laws;

3.3 Meetings

- (a) 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 2 of Schedule A hereto, provided that the Agent’s attendance over and above the number of Meetings specified in item 2 of Schedule A hereto, or attending at any meeting of a duration longer than the number of hours specified in item 3 of Schedule A, shall be mutually agreed upon by the parties and the Agent shall be entitled to charge the additional fees described in Section 5.2 hereof as applicable;
- (b) Notices – To prepare and distribute to the Strata Corporation all notices, agendas and meeting packages in a timely manner in advance of Meetings;

3.4 Strata Council

- (a) Strata Council – To consult with, confer fully and freely with the Strata Council 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, Laws, the Bylaws and Rules, or a direction given by the Strata Corporation;
- (b) Assistance to Strata Council –To advise the Strata Council on the Act, and advise Strata Council of generally accepted practices throughout the strata property industry, with the understanding that such interpretation of the Act is to be used by the Strata Council as a guide and shall not be regarded as legal advice; and in 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 or the Strata Council;

3.5 Records

- (a) Records – To keep full and detailed records of the transactions of the Strata Corporation and to retain the records required to be maintained by Sec. 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;
- (b) 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;

- (c) Owner/Tenant's Registry – To maintain a registry of all Owners and tenanted strata lots, including the Owner/tenant's name, contact information, parking stall numbers and storage locker numbers (as such may be applicable) for all of the strata lots in the Strata Plan;
- (d) Minutes – At the request of the Strata Council, to prepare and provide the minutes of Strata Council meetings and general meetings of the Strata Corporation as prescribed by the Act;
- (e) Correspondence – To receive and respond to all correspondence as directed by the Strata Council in a timely fashion;

3.6 Bylaws and Rules

- (a) Bylaws and Rules – To familiarize itself the Strata Corporation's Bylaws and Rules;
- (b) 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 to stop any breach or infraction of the Bylaws and Rules;
- (c) Fines – To levy fines upon the direction of the Strata Council as required by the Bylaws and Rules and provide follow up correspondence and initiate legal actions as is necessary, at the expense of the Strata Corporation;
- (d) Liens – To register and remove liens against delinquent Owners upon the direction of the Strata Council in accordance with the Act, and to provide follow up correspondence and initiate legal action as necessary, at the expense of the Strata Corporation;

3.7 Insurance

- (a) Property Insurance – To secure annual updates to the insurance appraisal for the Strata Plan and renew insurance policies pursuant to the Act, as they expire at the direction of the Strata Council. All insurance appraisal costs and premium costs shall be expenses of the Strata Corporation;
- (b) E & O Insurance – To obtain and maintain at the expense of the Strata Corporation, Strata Council Errors & Omissions Insurance having a minimum coverage in the amount of \$2,000,000.00;
- (c) Liability Insurance – To obtain and maintain, at the expense of the Strata Corporation, Comprehensive General Liability Insurance having a minimum coverage in the amount of \$2,000,000.00. Such insurance shall be applicable to any indemnification of the Agent by the Strata Corporation required under this Agreement;

- (d) Insurance Coverage – To assist the Strata Corporation to place and maintain adequate fire, liability, steam boiler, pressure vessel, 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 not be liable for any negligence of any such insurance agent. In the event such insurance does not comply with the Act or is not based on an insurance appraisal by a qualified appraiser, the Agent shall forthwith inform the Strata Corporation and the Strata Council;

3.8 Maintenance and Services

- (a) Contractors and Employees – To coordinate the work of contractors or employees to the best of their ability and whenever directed by the Strata Council. If the Agent deems it advisable or necessary, the Agent shall hire or discharge contractors 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 shall be 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;
- (b) Martello Building Operations Inc. – Unless directed by the Strata Council otherwise, the Agent may from time to time utilize the services of Martello Building Operations Inc., a wholly owned subsidiary of the Agent which employs qualified staff to perform repairs and maintenance of Strata Corporation property, provided that the Agent will provide the Strata Council with appropriate disclosure relating to the engagement of Martello Building Operations Inc. as required by the RESA Rules;
- (c) Contracts – To make contracts in the name of the Strata Corporation, in respect to the Common Property 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;
- (d) 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 Strata Corporation;
- (e) Emergency Services – 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;
- (f) Service Contracts – To monitor all service contracts and negotiate renewal or replacement of such contracts at the direction of the Strata Council;

- (g) Limitation on Expenditures – The Agent agrees to secure the approval of the Strata Council of the Strata Corporation to all expenditures in accordance with the Act or the Bylaws, other than recurring operating charges or emergency repairs in excess of any maximum amount set out in the Bylaws or Rules, provided such expenditures are necessary in the opinion of the Agent to protect the premises of the Strata Corporation from damage or to maintain common services to occupants of any one or more strata lots;

3.9 Proceedings

- (a) Legal Proceedings – Wherever any dispute may be resolved, at the discretion of the Strata Council, by recourse to the appropriate authority, including legal proceedings, arbitration, mediation and internal appeals, the receipt by the Agent of a written authorization containing the signatures of two members of the Strata Council is sufficient authority for the Agent to so act, provided that where a legal proceeding is commenced on behalf of the Strata Corporation such proceeding will have been authorized by a resolution of the Strata Corporation in accordance with the Act and the Bylaws, and the Agent shall contract for and obtain professional legal services in relation to such legal proceeding as directed by the Strata Corporation and at the sole cost and expense of the Strata Corporation;
- (b) 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;
- (c) 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 premises, 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;
- (d) 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;

3.10 Other

- (a) Sale of Strata Lots – To provide documentation as required by the Act to facilitate the sale of any strata lot at the cost of the Owner or the proposed purchaser. The Agent shall be entitled to retain the fees it charges such Owners or proposed purchasers;

- (b) Administrative - To provide administrative support to the Strata Corporation for the processing of "Form B – Information Certificate" (Section 59) and "Form F – Certificate of Payment" (Section 115) documentation; and
- (c) Rebates or Discounts – Not to collect or charge any undisclosed fee, rebate or discount or other consideration, and if any such fee, rebate, discount or other consideration 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.

4. AGENT'S AUTHORIZATION

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, 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.

5. COVENANTS OF THE STRATA CORPORATION

5.1 Indemnity and Release

- (a) The Strata Corporation acknowledges that so long as the Agent and its officers and servants have acted in good faith and have exercised reasonable care and due diligence in the performance of their duties hereunder the Agent shall not be liable for any loss to the Strata Corporation by reason of any failure of a person to pay amounts owing to the Strata Corporation or for any damage to or destruction of any part of the property or for the injury to persons or property or for loss of life.
- (b) The Strata Corporation acknowledges that the Agent shall not be liable for any error in judgment of its officers, servants, agents or independent contractors provided that the Agent has acted in good faith and has exercised reasonable care in the selection of its officers, servants, agents or independent contractors and due diligence in their supervision, guidance and control.
- (c) The Strata Corporation acknowledges and agrees that the Agent is an agent solely of the Strata Corporation and that the Agent shall not be liable or responsible to any separate Owner of a strata lot or any tenant, occupier, licensee or invitee of any such Owner in the performance of its duties and obligations hereunder.
- (d) The Strata Corporation hereby agrees to indemnify the Agent and save the Agent harmless from any and all losses, claims, costs, damages, liabilities or expenses including legal fees which are incurred by the Agent in performance of its responsibilities hereunder or in connection with services provided to the Strata Corporation, and without limiting the generality of the foregoing, to save the Agent

harmless from all claims, damages, costs and liability whatsoever arising out of any acts done by the Agent pursuant to this Agreement and in furtherance of the instructions given to the Agent by the Strata Corporation or its officers and delegates, except to the extent that any such loss is caused by the negligence or the wilful misconduct of the Agent.

5.2 Agent's Fees

The Strata Corporation covenants and agrees to pay the Agent the following fees:

- (a) a fee in advance each and every month during the term of this Agreement, in the amount specified in item 4 of Schedule A;
- (b) an additional fee in the amount specified in item 5 of Schedule A, for each additional Meeting over the number specified in item 2 of Schedule A;
- (c) an additional hourly fee in the amount specified in item 6 of Schedule A, for each hour of attendance at any meeting longer than the hours specified in item 3 of Schedule A;
- (d) an additional fee for special projects and/or major renovations, as determined by the size and the 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 D, if attached and signed by both parties hereto;
- (e) an additional fee in the amount specified in item 7 of Schedule A, per strata lot for each month of depositing and processing of special levies; and
- (f) to pay all additional and incidental fees detailed on the fee schedule attached hereto as Schedule C.

5.3 Payment of Agent's Fees

The Strata Corporation hereby authorizes the Agent to deduct the Agent's Fees and disbursements from the strata fees, user fees or any other monies collected by the Agent pursuant to Section 3 hereof.

5.4 Strata Corporation Agreements

The Strata Corporation covenants and agrees as follows:

- (a) 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, the Strata Corporation shall pay the Agent the amount of such excess promptly upon request. The Agent, upon direction from the Strata Corporation, may transfer funds from the contingency reserve fund to the operating fund in order to make up the shortfall amount, as permitted by the Act.

The Agent shall have no obligation to advance funds to the Strata Corporation for any purpose whatsoever;

- (b) 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 fee schedule attached hereto;
- (c) Transfer Documentation – To compensate the Agent in accordance with the Act for all transfer of title and ancillary documents for Owners;
- (d) 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 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 otherwise agreed to in writing by the Agent;
- (e) 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;
- (f) Bylaws and Rules – To provide to the Agent a copy of the Bylaws and Rules of the Strata Corporation and to notify the Agent from time to time of any amendments or additions thereto; and
- (g) Access – To appoint one or more persons who, when necessary, will provide tradesmen access to the Common Property and otherwise deal with minor situations and problems that arise occasionally outside of the Agent’s regular office hours.

6. NO SET OFF

The Strata Corporation agrees that the Strata Corporation shall not be entitled to set off any uncollected strata fee, special levies or user fees or other monies owed the Strata Corporation against the Agent’s Fees or any other monies payable to the Agent under this Agreement.

7. AGENT TO RECEIVE INSTRUCTIONS FROM STRATA COUNCIL

The Strata Corporation hereby authorizes and directs 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 or its authorized delegates and without limiting the generality of the foregoing, the Agent may from time to time request the receipt by the Agent of instructions or directions in writing signed on behalf of the Strata Corporation by at least two members 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.

8. FINANCIAL STATEMENTS AND RECORDS

- (a) The Strata Corporation agrees to review each statement of receipts and disbursements referred to in Section 3.2(e), 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.
- (b) The Agent shall not be responsible for any errors, omissions, or inaccuracies in the financial statements, records and books of the Strata Corporation prior to the commencement date of this Agreement, nor shall the Agent be required to enquire into the adequacy or completeness of same, but shall be entitled to rely on the information and statements obtained on the assumption of the affairs of the Strata Corporation being complete and accurate unless otherwise acknowledged and agreed to in writing by the Agent.

9. ASSIGNMENT BY AGENT

The Agent may assign all of its interest in this Agreement and its rights hereunder to any other firm or corporation, provided that the assignee is a strata property agent licensed under RESA to provide strata management services and that such firm or corporation covenants with the Strata Corporation to observe and perform the obligations of the Agent hereunder.

10. NO WAIVER

No waiver, expressed or implied, by a party to or of any breach or default by the other party in performance by such other party of any of the obligations, covenants, terms, conditions herein contained will be deemed or construed to be a consent or waiver to or of any breach or default in the performance by such other party of its obligations hereunder.

11. SEVERANCE

If any covenant, obligation or provision contained in this Agreement, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such covenant, obligation or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each covenant, obligation or provision of this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

12. SUCCESSORS AND ASSIGNS

This Agreement shall ensure to the benefit of and shall be binding upon the parties and their respective heirs, executors, administrators, successors and permitted assigns.

13. AMENDMENT IN WRITING

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

14. TERMINATION

This Agreement shall terminate upon the occurrence of any of the following events:

- (a) 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;
- (b) two months after receipt by the Strata Corporation of a notice from the Agent, terminating this Agreement;
- (c) immediately, through the bankruptcy of the Agent; or
- (d) immediately, through the insolvency or fraud of the Agent.

15. AFTER TERMINATION

Upon the termination of this Agreement, all obligations of the Agent shall cease 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. The Agent shall transfer all records maintained on behalf of the Strata Corporation as directed by the Strata Corporation within a reasonable time after termination but in any event no later than fourteen (14) days of such termination.

16. HOLDBACK

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**") required 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.

17. NO PARTNERSHIP

The relationship of the Agent of 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, as the legal representative, tenant, partner or employee of the Strata Corporation.

18. DISCLOSURE OF PERSONAL INFORMATION

- (a) The Agent agrees to abide by the Personal Information and Protection Act of British Columbia in relation to the collection, use and disclosure of personal information.
- (b) The Strata Corporation (on behalf of itself and the Owners) hereby consents to the Agent's collection, use and disclosure of personal information arising from the Agent's performance of this Agreement or otherwise collected by or on behalf of the Strata Corporation for the purpose of carrying out the obligations contemplated herein, including without limitation, as required by all Laws, and as reasonably required by all agents, service providers, consultants, advisors, insurers, lawyers and suppliers of the Strata Corporation.

19. DISCLOSURE OF CONFLICTS

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, sections and owners within such strata corporations.

20. DISCLOSURE OF PAYMENTS

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, contractor, or any other person providing other products or services relating to any of the control management maintenance and/or repair and/or replacement of common property and/or common assets of the Strata Corporation, the Agent shall promptly 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.

21. CONFLICT WITH OWNERS

If the Agent is providing property rental services or trading services to individual Owners, there may be conflicts as between such Owners, the Strata Corporation and the Sections. If the Strata Corporation or a Section is declared to be the Agent's Primary Client, the Agent will provide full representation to the Primary Client and the Agent shall provide limited representation to the Owners. As such, the Agent will not be able to:

- (a) act in the Owner's best interests, if those interests conflict with the interests of a Primary Client;
- (b) act in accordance with the Owner'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 owner; or
- (d) disclose to the Owner any confidential information about the Primary Client.

22. GENERAL PROVISIONS

- (a) Time – Time shall be of the essence of this Agreement;
- (b) Further Assurances – The parties hereto covenant and agree to do such things and execute such further documents, agreements and assurances as may be deemed necessary or advisable from time to time in order to carry out the terms and conditions of this Agreement in accordance with their true intent;
- (c) Construction – This Agreement shall be construed in accordance with the laws of the Province of British Columbia;
- (d) Arbitration – All disputes regarding the provisions hereof or the performance by the parties hereunder shall be subject to arbitration in accordance with the provisions of the *Commercial Arbitration Act* (British Columbia) as amended. The arbitrator(s) shall be entitled to fix the costs of arbitration and settle the manner in which and by whom the same is to be paid;
- (e) Counterpart Execution – This Agreement may be executed in any number of counterparts and by facsimile or other electronic transmission, and such counterparts shall together constitute one and the same instrument;
- (f) Notices – All notices, requests, demands or other communications by the terms hereof required or permitted to be given by one party to another shall, unless otherwise specifically provided for herein, be given in writing and delivered to such other party as follows:

to the Strata Corporation: at the address referenced on page 1 hereof
Attention: Strata Council
to the Manager:

200- 808 West Hastings Street
Vancouver, B.C. V6C 2X4
Attention: Mr. Wayne Smithies, President Fax:
604-681-5114

or in such other manner as directed by any party hereto.

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 _____ by its authorized)
signatories)

Per: _____)
Strata Council Member/Developer)
Representative: **UNIVERSITY DISTRICT**)
NORTH)

Per: _____)
Strata Council Member/Developer)
Representative: **UNIVERSITY DISTRICT**)
NORTH)

EXECUTED ON BEHALF OF **MARTELLO**)
PROPERTY SERVICES INC., by its authorized)
signatories:)
Per: _____)
Authorized Signatory

STRATA MANAGEMENT CONTRACT

SCHEDULE A

TERMS

1. Section 2 Commencement Date: _____
2. Section 3.3 Maximum Number of Meetings: Eleven (11) + One (1) AGM
3. Section 3.3 Maximum Hours per Meeting: 2.0 hours
4. Section 5.2 (a,b) Monthly Agents Fee: \$5,120.50 (plus GST)
5. Section 5.2 (a,c) An additional fee for each Meeting over the maximum number: \$500.00 (plus GST)
6. Section 5.2 (c) Hourly rate for attendance at meeting over specified number of hours: \$175.00 per hour (plus GST)
7. Section 5.2 (e) An additional fee of \$5.00 (plus GST) per strata lot for each month of depositing and processing of special levies: \$150.00 minimum (plus GST)

An additional fee of \$5.00 (plus GST) per strata lot for refund of unspent Special Levy: \$150.00 minimum (plus GST)

An additional fee of \$35.00 per hour (plus GST) for administrative services for assistance with Owners to review documents under Section 36 of the Strata Property Act of B. C.

An additional fee of \$175.00 per hour (plus GST) for attendance at any Hearing of Council under Section 135 of the Strata Property Act or any legal proceedings including arbitration, mediation, tribunal hearing, Small Claims Court or Supreme Court.

STRATA MANAGEMENT CONTRACT

SCHEDULE B

GENERAL SERVICES

The Agent will provide the Strata Corporation with the following general services on the terms set out in this Agreement:

1. Manage, maintain and administer the property;
2. Investigate carefully all requirements for repairs to the property – site inspections carried out regularly;
3. Supervise and direct employees to the Strata Corporation, if applicable;
4. Attend meetings of the Strata Corporation as agreed;
5. Arrange for the necessary contractors and/or servicemen to maintain the property;
6. Take minutes, transcribe, photocopy and distribute Minutes of Meetings to all owners and residents as directed within five (5) working days;
7. Receive and respond to all correspondence on behalf of the Strata Corporation;
8. Insure the Common Property against loss or damage by fire or other risks;
9. Provide twenty-four (24) hour emergency answering services;
10. Provide new owners with a customized “Welcome Package”;
11. Prepare a long-term maintenance / replacement plan.

STRATA MANAGEMENT CONTRACT

SCHEDULE C

SCHEDULE OF FEES

1. Postage: Standard postal rates apply to all mailings and are charged to the Strata Corporation.
2. Photocopies: Financial Statements, copies of paid invoices and miscellaneous correspondence are charged at 25 cents per photocopy and bulk photocopying of Minutes, Notices of Meetings at 6 cents per page.
3. NSF Charges: Returned Cheques are surcharged \$25.00 plus GST. We charge the Strata Corporation, but an equivalent amount, plus bank charges is charged to and collected from the NSF Owner's account. The resulting net expense to the Strata Corporation is zero.
4. Council Meetings: Eleven (11) Council Meetings per year are included in the quoted fee. A \$175.00 (Plus GST) per hour rate for attendance at Meetings over the specified numbers of hours.
5. General Meetings: One (1) Annual General Meeting is included in the quoted fee.
6. Martello Property Services Inc. charges for provisions of the Following Services:

Completion of:

Form F	\$15.00 + GST
Form B	\$35.00 + GST
Title Search	(as invoiced by Western Legal Title Search) plus 10% Service Charge)
1st Lien Threat Letter	\$75.00 + GST
2nd Lien Threat Letter	\$75.00 + GST
File Lien	\$100.00 + GST
Discharge of Lien	\$100.00 + GST
Special Levy Payments	\$5.00 + GST per Strata Lot of each month of processing and depositing of Special Levy (minimum \$150.00 + GST).

Supply of:

By-laws	\$10.00 + GST - if picked up \$10.00 + GST & postage - if mailed out
Strata Plan	\$10.00 + GST - if picked up \$10.00 + GST & postage - if mailed out
Financial Statement	\$10.00 + GST - if picked up \$20.00 + GST & postage - if mailed out
Both	\$20.00 + GST - if picked up \$30.00 + GST & postage - if mailed out
Minutes of Meetings	\$2.00 + GST (each) or \$10.00 + GST per set (1 year)

7. An Additional Fee of \$500.00 (Plus GST) per Meeting over the specified number of Council Meetings and any Special General Meeting.
8. Rush Fee: In addition to the foregoing fees, there is a Rush Fee of \$50.00 (Plus GST) if documents are required within three (3) business days, \$75.00 (Plus GST) if documents are required with two (2) business days, and \$100.00 (Plus GST) if documents are required within one (1) business day.

Martello Property Services Inc. reserves the right to change the fees listed on this Schedule of Fees without notice.

D. & O. E.

MANAGEMENT CONTRACT

SCHEDULE D

PROJECT MANAGEMENT FEES

In the event that the Strata Corporation employs the services of the Agent to act as a Project Manager for the delivery of services not included under Schedule B, the Strata Corporation agrees to pay a fee to the Strata Management Company as follows:

- For projects under \$5,000.00, the fee will be \$125.00/hour spent on the project.
- For projects in excess of \$5,000.00 the Strata Corporation will pay a flat fee of the final cost of the project as project management fees as follows:

\$5,000.00 - \$50,000.00	- 10%
\$50,000.00 - 250,000.00	- 5%
\$250,000.00 - \$1,000,000	- 3%
Over \$1,000,000.00	- 2%

It is understood that the role of the Project Manager will be to take direction from the Strata Council and to supervise major building renovations, rehabilitation and upgrades that are not part of normal repairs and maintenance of the common area of the building. Services that will be provided by Martello Property Services include:

- a) Assisting Strata Council in gathering required information and arranging meetings with appropriate consultants to facilitate the process selecting consultant(s) for of the proposed project.
- b) Coordinate and assist in the preparation of tender documents for the project.
- c) Calling tenders from qualified contractors who can complete the work.
- d) Review of contractor's tender documents with Strata Council to select successful contractor.
- e) Preparation and mailing of documents for notices of General Meeting(s) in accordance with the Strata Property Act.
- f) Assist Strata Council with the running of the General Meeting(s) and preparation of minutes of the General Meeting(s).
- g) Administering and collection of special levies and make draw payments to contractors and consultants.
- h) Supervising of consultant(s) and the contractor(s) to ensure the work is done as per the contract(s).
- i) Managing the holdback accounts on behalf of the contractors
- j) Reporting to Strata Council on a timely basis with progress of the major renovation.
- k) Determining any deficiencies and overseeing the correction of the deficiencies

- 1) Where required meet and assist the Strata Corporation's lawyer in preparation of documentation for court action. Attendance at court if required.

It is important to note that none of the above listed duties of the Project Manager fall within the duties of the Strata Manager attending to the day to day operations of the Strata Corporation.

ACCEPTED AND APPROVED
On behalf of THE OWNERS, STRATA
CORPORATION_____

Strata Council Member/Developer Representative
UNIVERSITY DISTRICT NORTH

Strata Council Member/Developer Representative
UNIVERSITY DISTRICT NORTH



MARTELLO
Building Operations Inc.

BUILDING OPERATIONS AGREEMENT

THIS AGREEMENT dated the 11th day of October, 2018

BETWEEN:

THE OWNERS OF STRATA PLAN _____ a Strata Corporation formed under the laws of the British Columbia having its address for service at _____ - 105th Ave, Surrey, BC known as University District 2.

(hereinafter called the "**Strata Corporation**")

OF THE FIRST PART

AND:

MARTELLO BUILDING OPERATIONS INC., a company registered in British Columbia having corporate offices at 200 - 808 West Hastings Street, Vancouver, British Columbia V6C 2X4

(hereinafter called the "**Building Operator**")

OF THE SECOND PART

WHEREAS:

- A. The Strata Corporation is responsible for the control, management, maintenance and administration of the Common Property, common facilities 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 Building Operator is engaged, inter alia, in the provision of operation and maintenance staffing and services.
- C. The Strata Corporation and the Building Operator wish to confirm the services that are to be furnished on the terms, and for the consideration set forth hereunder and in Schedule "A" and Schedule "B"

WITNESS THEREFORE, FOR THE CONSIDERATION set forth herein, the Strata Corporation and the Building Operator do hereby covenant and agree as follows:

1. General

- a) The Building Operator shall provide the services of a Building Manager at University District 2 ("the Building") located at _____ - 105th Ave, Surrey, BC.



- b) General Duties and Responsibilities (the "Duties") are outlined as the day to day undertaking of the responsibilities required to maintain the performance level established from time to time by the Property Manager in consultation with the Strata Corporation, and as outlined in the attached Schedule A.
- c) The common areas of the property are defined as all the areas of the property which are not designated into a Strata lot, including:
 - i. common area building structure and exterior of strata lots, including common area light fixtures, windows, doors, gates, corridors, stairway and hallways, lobbies, mail rooms, garage parkade, all storage locker and bike storage rooms, service rooms, amenities facility, garbage/recycling rooms, roof areas, skylights and glass canopies;
 - ii. Landscape and garden areas, interior and city sidewalks, driveway entries, the loading dock area, flower beds and planters, visitors' parking areas, and common area patios.
 - iii. Four (4) elevators and service elevator; and,
 - iv. Amenities, fitness room and exercise equipment, washrooms/changing rooms, sauna, pools and cabanas as the case may be.
- d) Satisfactory performance of the specific responsibilities pertaining to the common areas is defined as being performed to the satisfaction of the Property Manager in consultation with the Strata Council.
- e) The line of authority and line of communication for the relationship established in this Agreement is from the Building Manager to the Property Manager, and then to the Council if warranted; or from the Council to the Property Manager, and then to the Building Manager. In the case of an emergency, or for the sake of convenience on minor matters, this line is amended, for practicality, to be direct between a member of the Council and the Building Manager.
- f) It is agreed and understood that the buildings individual residents do not have the responsibility or authority to give direction, criticism, or instruction to the Building Manager regarding the performance of the Duties pertaining this Agreement.
- g) In the performance of the responsibilities the Building Manager will be provided with all the necessary tools, supplies, contractor/trade personnel, site office and assistance as determined by the Property Manager.
- h) The Building Manager shall be on duty Monday to Friday, 8:00 a.m. to 5:00 p.m. ("Work Hours") and will be on call on a 24/7 basis in case of emergencies.
- i) It is understood that deliver efficient service, the Building Manager may work on a non-exclusive basis for multiple properties, with time allocation between each building to be determined by the Building Operator acting reasonably. It is also understood that the expected time commitment to University District 2 will be approximately twenty (20) hours per week.



- j) The Building Manager is not required to undertake routine responsibilities outside Work Hours or on statutory holidays. Should work be required at these times due to an emergency situation, to supervise move ins or move outs, or any other work at the request of the Property Manager or Strata Council, an After Hours ("After Hours") rate will be charged for time incurred, as set out in Schedule B. Such After Hours charges will be for a minimum of three (3) hours as incurred.
- k) The Building Manager shall be familiar with the Strata Corporation's Bylaws, and Rules, and to assist the Property Manager and Strata Council in their enforcement.
- l) From time to time the Building Manager may incur certain expenses on behalf of the Strata Corporation while acting reasonably in conducting the Duties outlined in Schedule A. The Strata Corporation agrees to reimburse the Building Manager for any such costs (the "Reimbursable Expenses"). The Reimbursable Expenses will be included in the monthly invoice to the Strata Corporation as incurred.
- m) It is understood and agreed that Building Manager shall not:
 - i. own, in whole or in part, a Strata Lot in the Strata Corporation;
 - ii. undertake any direct work, or to make any arrangements for any work for any resident or owner of the Strata Corporation, unless specifically approved in writing by the Property Manager, or which clearly is part of the designated responsibilities;
 - iii. rent or sell any Strata Lot, collect rents, or arrange tenancy for any Strata Lot, screen any tenants for any rental or sale, or act on the specific request of any non-resident owner of any Strata Lot in the Strata Corporation other than in the completion of the designated responsibilities.

2. Term

This Agreement shall be for an initial term of one (1) year, commencing on _____, or such commencement date mutually agreed between the parties. Thereafter, this Agreement shall automatically renew each year on the anniversary date for a further one (1) year term. Should either party wish to terminate the Agreement, it shall do so in compliance with Clause 4 of this Agreement.

3. Payment

The Building Operator shall invoice the Strata Corporation for the services rendered on a monthly basis, and the Strata Corporation shall duly and regularly pay such invoices within thirty (30) days of the invoice date.



4. Termination

By the Strata Corporation

Notwithstanding anything else contained in this Agreement, this Agreement shall terminate upon any of the following events:

- a) if the Building Operator fails to perform its Duties hereunder and the Strata Corporation delivers to the Building Operator written notice setting out the particulars of such failure to perform and the Building Operator fails to correct the default within thirty (30) days after receipt of such notice, the Strata Corporation, at its option, may then terminate this upon not less than thirty (30) days written notice, which notice may not be delivered until the expiration of the curative period;
- b) in the event of bankruptcy, insolvency, winding-up or liquidation of the Building Operator or if a receiver is appointed to manage the affairs of the Building Operator, the Strata Corporation, at its option, may terminate this Agreement upon thirty (30) days written notice thereof to the Building Operator.

By the Building Operator

Notwithstanding anything else contained in this Agreement, this Agreement shall terminate upon any of the following events:

- a) if the Strata Corporation fails to make any payment required to be made by the Strata Corporation on its due date and such default continues for five (5) days following written demand. Under such a situation, the remainder of payments due through to the end of the Term shall immediately become due and payable in full, with such amount being no less than three (3) months of payments;
- b) if the Strata Corporation fails to perform its duties and obligations hereunder and the Building Operator delivers to the Strata Corporation written notice setting out the particulars of such failure to perform and the Strata Corporation fails to correct the default within thirty (30) days after receipt of such notice, the Building Operator, at its option, may then terminate this upon not less than thirty (30) days written notice, which notice may not be delivered until the expiration of the curative period;
- c) in the event of bankruptcy, insolvency, winding-up or liquidation of the Building Operator or if a receiver is appointed to manage the affairs of the Strata Corporation, the Building Operator, at its option, may terminate this Agreement upon thirty (30) days written notice thereof to the Building Operator.



Election Not to Renew

Notwithstanding any other provision hereof, either party may elect not to renew this Agreement for a further term, provided that the party electing not to renew gives written notice of such election to the other party not less than sixty (60) days prior to the Expiry Date of the initial term, or the anniversary of the Expiry Date in relation to subsequent terms.

Effect of Termination

Upon termination of this Agreement:

- a) if the notice period relating to such termination does not expire on the last day of a calendar month, the effective date of the termination will be deemed to be extended to the last day of that calendar month;
- b) the Building Operator shall within twenty-one (21) business days thereafter render to the Strata Corporation a final invoice for services provided;
- c) the Building Operator shall surrender to the Strata Corporation all agreements, contracts and other documents relating to the Building within fourteen (14) business days of termination of this Agreement;
- d) the Strata Corporation shall pay within fourteen (14) days of receipt of invoice any balance owing to the Building Operator for services rendered pursuant to this Agreement up to the effective date of termination for the subject Building, and
- e) rights which have accrued to either party hereto prior to the date when such termination shall become effective shall in no way be affected or impaired
- f) The Strata Corporation, during the Term of this Agreement and for two (2) years after the termination hereof, will not engage or contract with any present or past employee of the Building Operator to perform services the same as or similar to the services the employee performed for the Building Operator, unless otherwise agreed to in writing by the Agent. The penalty for breach of this clause shall be equal to the revenue that would have been due to the Building Operator for providing these services during the period.



5. **Notice**

All notices, demands and payments required or permitted to be given hereunder shall be in writing and may be delivered by hand or sent by email or fax to the addresses set forth below:

If to The Strata Corporation:

at the address referenced on page 1 hereof.

ATTENTION: Strata Council

If to The Building Operator:

Martello Building Operations Inc.
200 – 808 West Hastings Street
Vancouver, B. C.
V6C 2X4

ATTENTION: Mr. Warren Smithies, CEO

6. **Delays**

Neither party will be liable for any failure or delay to perform that party's obligations resulting from any cause beyond that party's reasonable control, including but not limited to fires, explosions, flood, strikes, work stoppages or slowdowns or other industrial disputes, accidents, riots or civil disturbances, acts of civil or military authorities, inability to obtain any license or consent necessary in respect of use with any telecommunications facilities, or delays caused by carriers, suppliers or material shortages.

7. **Mutual Indemnification**

Each party (the "Indemnitor") hereto agrees to indemnify and save harmless the other party (the "Indemnitee") its officers, agents and servants against any and all claims, demands, actions, causes of actions, damages, losses, costs, charges and expenses suffered or incurred by the Indemnitee, its officers, agents and servants in any way caused by or arising from the acts or defaults of the Indemnitor, its servants, agents or subcontractors in the exercise of its rights and obligations under this Agreement.

8. **Time of the Essence**

Time shall in all respects be of the essence of this Agreement.



9. **Governing Law**

This Agreement is made pursuant to and shall be governed by, and construed in accordance with, the laws of Canada and the Province of British Columbia.

10. **Arbitration**

All disputes regarding the provisions hereof or the performance by the parties hereunder shall be subject to arbitration in accordance with the provisions of the *Commercial Arbitration Act* (British Columbia) as amended. The arbitrator(s) shall be entitled to fix the costs of arbitration and settle the matter in which and by whom the same is to be paid.

11. **Amendments**

Any amendment, waiver or discharge of the provisions of this Agreement shall be effective only if made in writing and executed by the parties.

12. **Interpretation**

The division of this Agreement into paragraphs or sections and insertion of headings is for convenience only and shall not enter into the interpretation of this Agreement.

13. **Severability**

If any provision of this Agreement shall be held to be invalid or unenforceable, then such provision shall be revised by the parties to the extent necessary to become valid and enforceable and as may be herein contemplated. Notwithstanding that any provision may be held to be invalid or unenforceable, the remaining provisions of this Agreement, or the applicable hereof to other circumstances shall not be affected thereby and shall be held valid and enforceable to the full extent permitted by law.

14. **Waiver of Breaches**

No consent or waiver, expressed or implied by either party to, or of any breach or default by the other in the performance by the other of its obligation hereunder shall be deemed or construed to be a consent or waiver to, or of any other breach or default in the performance by such party of the same or any other obligation of such party hereunder. The failure on the part of either party to complain of any act, or failure to act, of the other, or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.



15. Singular, Plural, Gender, etc.

Whenever in this Agreement reference is made to any party, such reference shall be deemed to include a reference to the legal representatives, successors and permitted assigns of such party. This Agreement shall be read with all changes of number and gender required by the context and shall ensure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

Executed on behalf of **STRATA PLAN _____**,
Known as University District 2
by its authorized signatories:

Strata Council Member/Developer
Representative

Strata Council Member/Developer
Representative

MARTELLO BUILDING OPERATIONS INC.



Authorized Signatory



Schedule A

BUILDING MANAGER'S GENERAL DUTIES & RESPONSIBILITIES

1. GENERAL

- The position of Building Manager is primarily a supervisory, light preventative and curative maintenance and quality assurance role, and the Duties and Responsibilities outlined below should be considered in that context.
- All maintenance items outlined below are superseded by the Specifications developed by the Property Manager, including but not limited to cleaning, mechanical, landscaping and fire protection.
- The Building Manager is responsible for ensuring service delivery from each service provider in accordance with the applicable Specification.
- It is understood that the below Duties and Responsibilities are simply guidelines for the effective delivery of services at the Building. Actual services delivered by the Building Manager may vary from what is outlined in this Schedule A while acting reasonably under the supervision of the Property Manager to ensure the Building is maintained in a high quality condition.

2. CARPETING

- Ensure all carpeting is maintained in good condition.
- Inspect all carpets and confirm a vacuuming routine to vacuum all floors in accordance with the cleaning specification.
- Any repair or cleaning requirements are to be reported to the Property Manager.

3. MAIN LOBBY AREAS

- Assist in the re-direction of mail for residents who have moved.
- Ensure that all glass and mirrors are cleaned regularly
- Ensure that mailboxes are cleaned and maintained in a meticulous manner.
- Collect and organize all junk mail, flyers and utilize the disposal box.
- Replace any failed light bulbs and adjust the thermostats as required.
- Spot vacuum regularly and additionally as required.
- Water and care for any lobby plants as required.
- Install seasonal decorations, (i.e. Halloween and Christmas décor and lights) if required.
- Ensure that lino and floor tiles are damped and mopped.
- Ensure that Enterphone Panel is wiped down daily.

4. TILED FLOORS

- Ensure that linoleum tile and ceramic/granite tile floors to be damped and mopped regularly
- To supervise the linoleum and tile floors are stripped, sealed, waxed and buffed by an outside contractor once per year.

5. GARBAGE CONTAINER(S) STORAGE ROOM

- Ensure that the garbage area and the recycling and organics totes are kept tidy at all times.
- Supervise the contractor at the time of collection and properly identify yourself to the individual drivers.
- Contact the Property Manager regarding additional pick up requirements



- Make sure that garbage is kept level in the bins and does not pile up. Break down boxes if necessary and board container is emptied as required
- Ensure cleanliness of garbage area through a regular program of hosing, including regular use of disinfectants and insecticides around bins. Contact the Property Manager regarding getting the contractor to clean their bins if they are unsanitary.
- Ensure that garbage room floor areas are cleaned monthly germicidal detergent.

6. GARAGE PARKADE INCLUDING BIKE AND STORAGE LOCKER ROOMS, SERVICE ROOMS AND ELEVATOR LOBBY AREAS.

- Ensure that floors, glass and metal surfaces of elevator lobby areas are cleaned regularly.
- Inspect overhead gates and advise Property Manager if repairs are required.
- Inspect garage elevator lobby areas, Bike and Storage Locker rooms, and service rooms and report if repairs are required.
- Inspect the entire parkade, replacing failed lights, removing litter and debris as necessary.
- Supervise the annual scheduled cleaning of the entire parkade
- Immediately advise Property Manager of vehicles leaking fluids or items illegally stored in parking spaces.
- Report any uninsured vehicles to Property Manager

7. ELEVATORS

- Inspect indicator panel for burnt out bulbs and report any damages to elevator interior cab to the Property Manager
- Ensure that elevator door runners are cleaned and clear of any debris.
- Ensure the interior of the elevator cabs are spot clean and wipe down all cab walls.
- Ensure that all stainless steel panels etc. are polished.
- Ensure that elevator floors are damped mopped with germicidal detergent and polish when necessary.

8. MOVES

- To facilitate and supervise all moves and booking of elevators
- Supply and recover elevator key
- Inspect and remove protective elevator and floor covers and lobby area rubber runner during movement of furniture.
- Record in daily worksheet: - all moves, the apartment number and advise the Property Manager of all moves into and out of the building.
- Moves of furniture restricted to use of freight elevator.

9. BOILER ROOM, WATER PUMP ROOM, ELECTRICAL TRANSFORMER ROOM

Check boiler room, water pump room and electrical transformer room and report all problems to the Property Manager

To re-light boiler pilots:

- 1) Shut off gas at regulator
- 2) Wait 5 minutes.
- 3) Turn regulator to pilot
- 4) Press pilot, push valve down and hold.
- 5) Light pilot with paper on coat hanger or wire.



- 6) When pilot stays on after push-valve has been released, turn to on and ignition will take place.
- 7) Watch pressure gauge at temperature gauge.

10. STORAGE LOCKER ROOMS

- Check thermostats and baseboard heater
- Check for litter and burnt out lamps, replace as required
- Ensure that storage locker rooms floor are swept and damp mopped
- Check for security of lockers and doors, immediately report acts of vandalism to Property Manager
- Keep deodorizers loaded if required
- Check the operation of the exhaust fan
- Immediately report any storage of items in aisle ways or on top of storage lockers (against fire safety regulations) to the Property Manager

11. STAIRWAYS

- Check for damaged fixtures, extinguished lamps and litter. Remove litter and repair/replace burnt lamps/bulbs as required
- Ensure that stairways are swept and damp mopped and disinfected
- Check fire hose outlet caps.
- Check doors to ensure proper and quiet closure and adjust closures as required; check door handles and locks to ensure proper functioning and locking and immediately report any required repairs, tampering or vandalism.
- Check for marks on walls and doors and clean where necessary.

12. HALLWAYS/CORRIDORS (Concrete Floors)

- Ensure that all hallways or corridors are inspected and damp mopped and disinfected.
- Check for extinguished lights and security of cable and electrical closets. (replace burnt out bulbs as required)
- Immediately remove any unauthorized items or litter
- Check for marks on walls and doors and clean where necessary.
- Immediately report any vandalism or damages to Property Manager

13. EXTERIOR (INCLUDING PLANTERS, SIDEWALKS, LOBBY ENTRY AREAS, GARAGE ENTRY RAMP)

- Check all outside areas for litter daily and pick-up litter as required.
- Ensure that steps, sidewalks, garage entry ramp and front and rear entrances are swept.
- Ensure that exterior lobby areas are hose down when needed, including lobby entry, loading zone, guest parking areas
- Check for broken or burned out lights, replace when required.
- Check all building entry doors for security and immediately advise the Property Manager of vandalism to lock or door

14. SNOW REMOVAL

- keep steps, entrance path and sidewalk clear of snow.
- also clear and salt/sand garage ramp.
- at times of extra snowfall, co-ordinate snow removal with Property Manager, (e.g., extra help or subcontract).



15. GENERAL WORK

- Replace all burnt out bulbs when noticed – inside and outside.
- Coordinate and supervise all moves
- Provide access and supervise service contractors and consultants
- Report any vandalism or common area repairs when noticed.
- Report any deterioration of building or grounds when noticed.
- Coordinate with developer service department to report Owner's requests for in-suite deficiencies.

16. LANDSCAPING & IRRIGATION SYSTEM

- Ensure that irrigation system is functioning during summer months (May-Sept).
- Ensure landscape areas and planters are kept free of litter and debris.

17. BUILDING ENTRY SECURITY SYSTEM AND SECURITY MONITORING SYSTEM (CAMERAS, VCR MONITORY & PRINTER/READER)

- Check all door entry security pads, camera, and VCR monitor
- Ensure that all doors are kept closed, except when needed to allow moving of furniture.
- Ensure all exterior doors close and latch correctly.
- Immediately report any malfunction of the garage door(s) entry lock mechanism, security access or security monitoring systems to the Property Manager.
- Report any broken or cracked windows to the Property Manager.
- Be constantly vigilant for broken door handles or locks in common areas of locker rooms, correct if possible and report to Property Manager.
- Security patrol of parkade daily (Monday – Friday). Report any vandalism to vehicles.

18. MECHANICAL

- Coordinate with Mechanical /HVACs /Plumber service contractors to maintain mechanical equipment as per maintenance schedule

19. ILLEGAL PARKING &/OR OBSTRUCTION

- Co-ordinate with Property Manager and/or Council Chairman to remove vehicles parked illegally, or obstructing access to the building or thruways.

20. MINOR MAINTENANCE & REPAIRS

- Carry out minor maintenance and repairs within the building and grounds.

21. INFRACTIONS OF BYLAWS, PLUS RULES & REGULATIONS

- Report violators to Property Manager immediately.

22. SUPPLIES & EQUIPMENT

- Maintain inventory of supplies and equipment (including serial numbers) and coordinate with Property Manager to obtain supplies.
- Ensure that all Strata Corporation equipment is properly engraved in accordance with the Neighbourhood Watch Programme.
- Maintain efficient equipment rooms.
- Ensure that all equipment is in good working order and report needs for servicing to Property Manager.



23. HOUSE ALARM PANEL

- Check board for light on indicator.
- Check for zone lighting indicator
- Check lock in close position, (watch for vandals).
- Advise Property Manager immediately if trouble indicator is lit.

24. EMERGENCY BREAK GLASSES & BOXES

- Check glasses and alarm bells for certain time must be put aside for this most important of all inspections. Do not remove 1 ½ inch cotton rubber hoses from cabinets on any floor.
- Check the door catches and see that the hand tool and nozzle are in the cabinet.

25. VENT PIPES ON ROOF

- Check to ensure that covers are in place and that birds' nests are not in vent pipes.

26. SUMP PUMPS

- Check level switches by hand, on and off.
- Open covers, check at rest water level.
- Check indicator lamp.
- Check switches that they are on AUTO not MANUAL.
- Check for leaks.

27. ROOF HVAC UNITS AND GARAGE EXHAUST FANS

- Inspect all HVAC and exhaust fans for proper operation
- open covers and check final drive
- Check all metal work and supports
- Check in hall outlets and returns for operation.

28. SPRINKLER CONTROL VALVE SERVICE ROOM

- Check air pressure
- Check water pressure
- Check that alarm valve is on
- Check for any leaks.

29. DOOR CLOSURES

- Check closures
- Check for oil leaks or broken linkage

30. PRESSURE REDUCING STATION

- Check and ensure that valves are open
- Check pressure that it is 95 to 105 P.S.I.G.
- Check for leaks



31. LOG BOOK

A daily log book shall be kept by the Building Manager and the following information must be included:

1. Work completed on that day and site visits from service contractors
2. Moves in and out of the building, making note of the units and immediately reporting any damages to common property and Owners
3. Recording any service requests by Owners and advising either Property Manager or Developer (I-suite deficiencies)
4. General notes of any occurrences, which may affect the Strata Corporation, or the peace and tranquility of the building.

The log book is to be submitted to the Property Manager

32. CLEANING (FANS AND VENTS)

- Clean and adjust vents in the hallways when needed.
- Clean and adjust vents in the Amenities Rooms when needed.

33. FIRE EXTINGUISHERS

- Check fire extinguishers monthly and report any problems.

34. OTHER WORK

At any given time, the Building Manager shall NOT do work or service for any unit outside the common property areas without the authorization from the Property Manager. Also, NO equipment owned by the Strata Corporation is allowed to be used to any unit for use inside, or outside the building.



Schedule B

Pricing

Hourly Rate for Providing Building Manager: \$52.50 + GST

Estimated Monthly Price for Providing Building Manager: \$4,550 + GST

After Hours Rate: \$75.00 + GST

Annual Adjustment: The Hourly Rate and After Hours Rate may be adjusted annually.

EXHIBIT "N"

PROPOSED FORM OF ROOF LEASE

(See Next Page)

ROOF LEASE

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

BETWEEN:

BLUESKY PROPERTIES (UD LANDS) INC., a British Columbia company having an office at 1201 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6

(the “**Owner**”)

AND:

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

(the “**Tenant**”)

WITNESSES THAT WHEREAS the Owner is the registered owner of certain lands and premises located in Surrey, 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]

* The Roof Area Plan is not available at the time of filing the Disclosure Statement

EXHIBIT "O"

COPY OF CITY OF SURREY ZONING TEXT APPLICABLE TO THE PROJECT

(See Next Page)

CITY OF SURREY

BYLAW NO. 19628

A bylaw to amend "Surrey Zoning By-law, 1993, No. 12000", as amended
.....

THE COUNCIL of the City of Surrey ENACTS AS FOLLOWS:

1. "Surrey Zoning By-law, 1993, No. 12000", as amended, is hereby further amended, pursuant to the provisions of Section 479 of the Local Government Act, R.S.B.C. 2015 c. 1, as amended by changing the classification of the following parcels of land, presently shown upon the maps designated as the Zoning Maps and marked as Schedule "A" of "Surrey Zoning By-law, 1993, No. 12000", as amended as follows:

- (a) FROM: DUPLEX RESIDENTIAL ZONE (RM-D)
TO: COMPREHENSIVE DEVELOPMENT ZONE (CD)
-

Parcel Identifier: 009-467-891
Lot 29 Except: Parcel A (Bylaw Plan 87435) Section 22 Block 5 North Range 2 West New Westminster District Plan 11141

(13425 - 104 Avenue)

- (b) FROM: SINGLE FAMILY RESIDENTIAL ZONE (RF)
TO: COMPREHENSIVE DEVELOPMENT ZONE (CD)
-

Parcel Identifier: 009-467-939
Lot 30 Except: Part of Bylaw Plan 55687; Section 22 Block 5 North Range 2 West New Westminster District Plan 11141

(13409 - 104 Avenue)

Parcel Identifier: 007-556-365
Lot 44 Section 22 Block 5 North Range 2 West New Westminster District Plan 15002

(13440 - 105 Avenue)

Parcel Identifier: 010-040-323
Lot 45 Section 22 Block 5 North Range 2 West New Westminster District Plan 15002

(13430 - 105 Avenue)

Parcel Identifier: 010-040-340
Lot 46 Section 22 Block 5 North Range 2 West New Westminster District Plan 15002
(13420 - 105 Avenue)

Parcel Identifier: 010-040-404
Lot 47 Except: 1715 Square Feet (Bylaw Plan 55687), Section 22 Block 5 North Range 2 West
New Westminster District Plan 15002
(13410 - 105 Avenue)

(c) FROM: DOWNTOWN COMMERCIAL ZONE(C-35)
TO: COMPREHENSIVE DEVELOPMENT ZONE (CD)

Parcel Identifier: 029-182-107
That Part of Section 22 Block 5 North Range 2 West New Westminster District Shown on
Plan BCP52120
(13444 - 105 Avenue)

(hereinafter 1.(a), (b) and (c) shall be referred to as the "*Lands*")

2. The following regulations shall apply to the *Lands*:

A. Intent

This Comprehensive Development Zone is intended to accommodate and regulate the development of high *density*, high-rise *multiple unit residential buildings*, *ground-oriented multiple unit residential buildings* and related *amenity spaces*, and commercial uses, which are to be developed in accordance with a *comprehensive design*.

The *Lands* are divided into Blocks A and B as shown as shown on the Survey Plan attached hereto and forming part of this Bylaw, as Schedule A, certified correct by Robert Adriannsen, B.C.L.S. on the 20th day of June, 2018.

B. Permitted Uses

The *Lands* and *structures* shall be used for the following uses only, or for a combination of such uses:

1. Block A

- (a) *Multiple unit residential buildings and ground-oriented multiple unit residential buildings.*

2. Block B

- (a) *Multiple unit residential buildings and ground-oriented multiple unit residential buildings.*

- (b) The following *accessory uses*, provided that such uses form an integral part of a *multiple unit residential building* on the *Lands*:

- i. *Retail stores* excluding *adult entertainment stores*, *auction houses*, and *secondhand stores* and *pawnshops*;
- ii. *Personal service uses* excluding *body rub parlours*;
- iii. *General service uses* excluding *funeral parlours* and *drive-through banks*;
- iv. *Eating establishments* excluding *drive-through restaurants*;
- v. *Neighbourhood pubs*;
- vi. *Liquor store*;
- vii. *Office uses* excluding *social escort services* and *methadone clinics*;
- viii. *Indoor recreational facilities*;
- ix. *Entertainment uses* excluding *arcades*;
- x. *Community services*; and
- xi. *Child care centres*.

C. **Lot Area**

Not applicable to this Zone.

D. **Density**

1. Block A

- (a) For the purpose of *building* construction, the *floor area ratio* shall not exceed 0.1.

- (b) Where amenities are provided in accordance with Schedule G of "Surrey Zoning By-law, 1993, No. 12000", as amended, the *floor area ratio* shall not exceed 9.8.
- (c) Notwithstanding the definition of *floor area ratio*, for an air space subdivision, the air space parcels and the remainder *lot* of the air space subdivision shall be considered as one *lot* for the purpose of application of Section D of this Zone, and further provided that the *floor area ratio* calculated from the cumulative floor areas of the *buildings* within all of the air space parcels and the remainder *lot* of the airspace subdivision shall not exceed the maximum specified in Section D.1(b) of this Zone.
- (d) The indoor *amenity space* required in Sub-section J.1(b) of this Zone is excluded from the calculation of *floor area ratio*.

2. Block B

- (a) For the purpose of *building* construction, the *floor area ratio* shall not exceed 0.1.
- (b) Where amenities are provided in accordance with Schedule G of "Surrey Zoning By-law, 1993, No. 12000", as amended, the *floor area ratio* shall not exceed 7.2.
- (c) Notwithstanding the definition of *floor area ratio*, for an air space subdivision, the air space parcels and the remainder *lot* of the air space subdivision shall be considered as one *lot* for the purpose of application of Section D of this Zone, and further provided that the *floor area ratio* calculated from the cumulative floor areas of the *buildings* within all of the air space parcels and the remainder *lot* of the airspace subdivision shall not exceed the maximum specified in Section D.2(b) of this Zone.
- (d) The indoor *amenity space* required in Sub-section J.1(b) of this Zone is excluded from the calculation of *floor area ratio*.

E. **Lot Coverage**

- 1. The *lot coverage* shall not exceed 56%.
- 2. Notwithstanding the definition of *lot coverage*, for an air space subdivision, the air space parcels and the remainder *lot* of the air space subdivision shall be considered as one *lot* for the purpose of application of Section E of this Zone, and further provided that the *lot coverage* within all of the air space parcels and the remainder *lot* of the air space subdivision shall not exceed the maximum specified in Section E.1 of this Zone.

F. Yards and Setbacks

1. *Buildings and structures* shall be sited in accordance with the following minimum *setbacks*:

(a) Block A

<i>Setback</i>	<i>North Yard</i>	<i>South Yard</i>	<i>West Yard</i>	<i>East Yard</i>
<i>Use</i>				
<i>Principal Buildings and Accessory Buildings and Structures</i>	4.5 m [14 ft.]	0.0 m [0.0 ft.]	3.9 m [13 ft.]	2.5 m [8 ft.]

Measurements to be determined as per Part 1 Definitions of "Surrey Zoning By-law, 1993, No. 12000", as amended.

(b) Block B

<i>Setback</i>	<i>North Yard</i>	<i>South Yard</i>	<i>West Yard</i>	<i>East Yard</i>
<i>Use</i>				
<i>Principal Buildings and Accessory Buildings and Structures</i>	0.0 m [0.0 ft.]	5.0 m [16.5 ft.]	0.5 m [1.5 ft.]	1.3 m [4 ft.]

Measurements to be determined as per Part 1 Definitions of "Surrey Zoning By-law, 1993, No. 12000", as amended.

2. Notwithstanding Section F.1 of this Zone, the minimum *setbacks* of *principal buildings* and *accessory buildings and structures* for interior *lot lines* for lots created by an air space subdivision may be 0.0 metre [0 ft.].
3. Notwithstanding Sub-section A.3(d) of Part 5 Off-Street Parking and Loading/Unloading of "Surrey Zoning By-law, 1993, No. 12000", as amended, *underground parking* may be located up to 0 metre [0 ft.] from any *lot line*.

G. Height of Buildings

Measurements to be determined as per Part 1 Definitions of "Surrey Zoning By-law, 1993, No. 12000", as amended.

1. Block A

- (a) *Principal buildings*: The *building height* shall not exceed 90 metres [295 ft.].

2. Block B
 - (a) Principal buildings: The *building height* shall not exceed 114 metres [374 ft.].

H. Off-Street Parking

1. All commercial *parking spaces* shall be provided as stated in Table C.1 of Part 5 Off-Street Parking and Loading/Unloading of "Surrey Zoning By-law, 1993, No. 12000", as amended.
2. Notwithstanding Table C.1 of Part 5 Off-Street Parking and Loading/Unloading of "Surrey Zoning By-law, 1993, No. 12000", as amended, resident parking shall be provided at a rate of 0.75 *parking space* per unit.
3. Notwithstanding Table C.1 of Part 5 Off-Street Parking and Loading/Unloading of "Surrey Zoning By-law, 1993, No. 12000", as amended, visitor parking shall be provided at a rate of 0.07 *parking space* per unit.
4. All required resident *parking spaces* shall be provided as *underground parking*.
5. A minimum of 645 *parking spaces* shall be provided.

I. Landscaping

1. All developed portions of the *lot* not covered by *buildings, structures* or paved areas shall be landscaped including the retention of mature trees. This *landscaping* shall be maintained.
2. The boulevard areas of *highways* abutting a *lot* shall be seeded or sodded with grass on the side of the *highway* abutting the *lot*, except at *driveways*.
3. Garbage containers and *passive recycling containers* shall be located within the *underground parking* or within a *building*.

J. Special Regulations

1. *Amenity space* shall be provided on the *lot* as follows:
 - (a) Outdoor *amenity space*, in the amount of 3.0 square metres [32 sq. ft.] per *dwelling unit* and shall not be located within the required *setbacks*; and
 - (b) Indoor *amenity space*, in the amount of 3.0 square metres [32 sq. ft.] per *dwelling unit*.

2. *Child care centres* shall be located on the *lot* such that these centres:
 - (a) Are accessed from a *highway*, independent from the access to the residential uses permitted in Section B of this Zone; and
 - (b) Have direct access to an *open space* and play area within the *lot*.
3. *Balconies* are required for all *dwelling units* which are not *ground-oriented* and shall be a minimum of 5% of the *dwelling unit* size or 4.6 square metres [50 sq. ft.] per *dwelling unit*, whichever is greater.

K. Subdivision

1. *Lots* created through subdivision in this Zone shall conform to the following minimum standards:

<i>Lot Size</i>	<i>Lot Width</i>	<i>Lot Depth</i>
2,000 sq.m. [0.5 acre]	20 metres [66 ft.]	30 metres [100 ft.]

Dimensions shall be measured in accordance with Section E.21 of Part 4 General Provisions of "Surrey Zoning By-law, 1993, No. 12000", as amended.

2. Air space parcels and the remainder *lot* created through an air space subdivision in this Zone are not subject to Section K.1.

L. Other Regulations

In addition to all statutes, bylaws, orders, regulations or agreements, the following are applicable, however, in the event that there is a conflict with the provisions in this Comprehensive Development Zone and other provisions in "Surrey Zoning By-law, 1993, No. 12000", as amended, the provisions in this Comprehensive Development Zone shall take precedence:

1. Definitions are as set out in Part 1 Definitions of "Surrey Zoning By-law, 1993, No. 12000", as amended.
2. Prior to any use, the *Lands* must be serviced as set out in Part 2 Uses Limited, of "Surrey Zoning By-law, 1993, No. 12000", as amended and in accordance with the servicing requirements for the RM-135 Zone in City Centre as set forth in the "Surrey Subdivision and Development By-law, 1986, No. 8830", as amended.
3. General provisions are as set out in Part 4 General Provisions of "Surrey Zoning By-law, 1993, No. 12000", as amended.
4. Additional off-street parking requirements are as set out in Part 5 Off-Street Parking and Loading/Unloading of "Surrey Zoning By-law, 1993, No. 12000", as amended.

5. Sign regulations are as set out in "Surrey Sign By-law, 1999, No. 13656", as amended.
 6. Special *building setbacks* are as set out in Part 7 Special Building Setbacks, of "Surrey Zoning By-law, 1993, No. 12000", as amended.
 7. *Building* permits shall be subject to the "Surrey Building Bylaw, 2012, No. 17850", as amended.
 8. *Building* permits shall be subject to "Surrey Development Cost Charge Bylaw, 2017, No. 19107", as may be amended or replaced from time to time, and the development cost charges shall be based on the RM-135 Zone in City Centre for the residential portion and the C-8 Zone in City Centre for the commercial portion.
 9. Tree regulations are set out in "Surrey Tree Protection Bylaw, 2006, No. 16100", as amended.
 10. Development permits may be required in accordance with the "Surrey *Official Community Plan* By-law, 2013, No. 18020", as amended.
 11. Provincial licensing of *child care centres* is regulated by the Community Care and Assisted Living Act S.B.C. 2002, c. 75, as amended, and the Regulations pursuant thereto including without limitation B.C. Reg 319/89/213.
 12. Provincial licensing of *neighbourhood pubs* is regulated by the Liquor Control and Licensing Act, R.S.B.C. 1996, c. 267, as amended.
3. This Bylaw shall be cited for all purposes as "Surrey Zoning Bylaw, 1993, No. 12000, Amendment Bylaw, 2018, No. 19628"

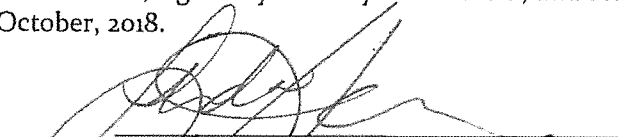
PASSED FIRST READING on the 25th day of June, 2018.

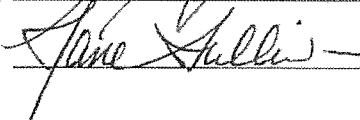
PASSED SECOND READING on the 25th day of June, 2018.

PUBLIC HEARING HELD thereon on the 9th day of July, 2018.

PASSED THIRD READING, as amended on the 1st day of October, 2018.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk, and sealed with the Corporate Seal on the 1st day of October, 2018.





MAYOR

CLERK

**SURVEY PLAN TO ACCOMPANY CITY OF SURREY
REZONING BYLAW No. 19628 OVER**

SCHEDULE A

- LOT 29, EXCEPT: PARCEL A (BYLAW PLAN 87435), PLAN 11141;
- LOT 30, EXCEPT: PART OF BYLAW PLAN 55687, PLAN 11141;
- LOTS 44, 45, AND 46, PLAN 15002;
- LOT 47, EXCEPT: 1715 SQUARE FEET (BYLAW PLAN 55687), PLAN 15002;
- THAT PART OF SECTION 22, BLOCK 5 NORTH,
RANGE 2 WEST, N.W.D. SHOWN ON PLAN BCP52120;
ALL OF SECTION 22, BLOCK 5 NORTH, RANGE 2 WEST, N.W.D.

FOR THE PURPOSE OF REZONING
B.C.G.S. 92G.016

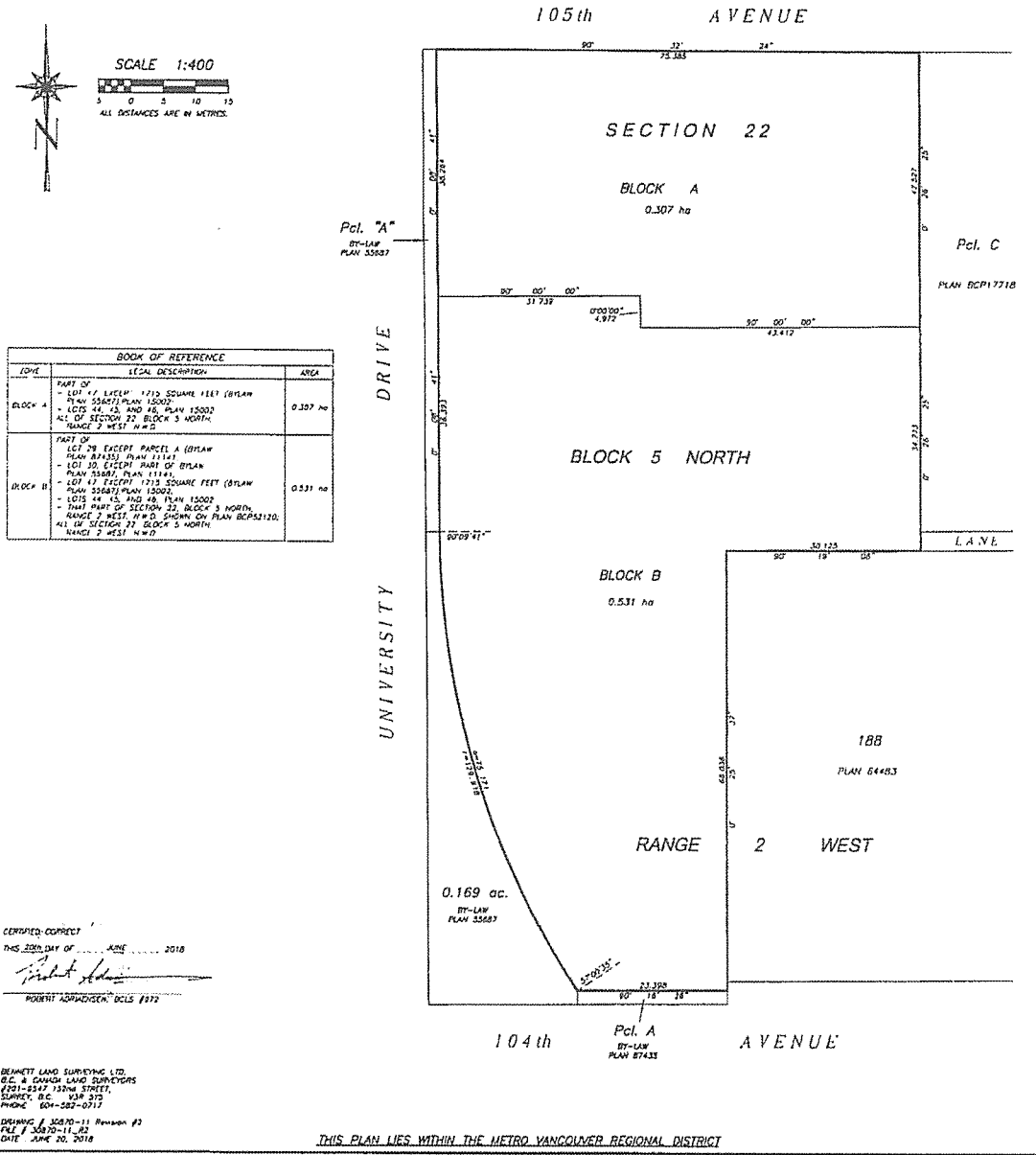


EXHIBIT "P"

**FORM OF ADDENDUM ENTITLED ADDENDUM / AMENDMENT TO
AGREEMENT OF PURCHASE AND SALE – BOLT VOLT CHARGING STATION**

(See Next Page)

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

Date: _____, 2018

Further to the Agreement of Purchase and Sale (the “Purchase Agreement”) dated _____, 2018
and made between BLUESKY PROPERTIES (UD LANDS) INC., and BLUESKY PROPERTIES (UD NORTH) INC.,
together as Vendor and _____

as Purchaser with respect to proposed Strata Lot _____ (the “Strata Lot”) also known as:

Suite # _____, 13428 105 Avenue, Surrey, British Columbia,

Townhome # _____, 13428 105 Avenue, Surrey, British Columbia,

Townhome # _____, 10468 University Drive, Surrey, British Columbia,

as further described in the Purchase Agreement, 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 Five Thousand (\$5,000.00) 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 conveyancing solicitors, Spagnuolo and Company “In Trust”. Such payment will be held by the Vendor’s conveyancing 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 conveyancing 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

BLUESKY PROPERTIES (UD LANDS) INC.

Per: _____
Authorized Signatory

BLUESKY PROPERTIES (UD NORTH) INC.

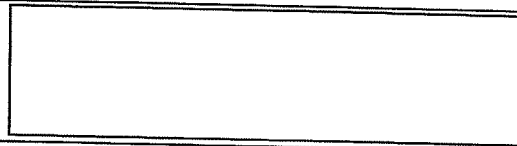
Per: _____
Authorized Signatory

EXHIBIT "Q"

DRAFT RECIPROCAL AMENITY USE AND COST SHARING AGREEMENT

(See Next Page)

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.



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

NORTON ROSE FULBRIGHT CANADA LLP

Barristers and Solicitors

1800 - 510 West Georgia Street

Vancouver

BC V6B 0M3

Tel: 604.687.6575

File No.: 18-2307

Document No.: Form C 122421114 / Terms 121904914

Reciprocal Amenity Space Easement

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [LEGAL DESCRIPTION]

Deduct LTSA Fees? Yes

SEE SCHEDULE

STC? YES

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))

SEE SCHEDULE

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)

CHRIS FERRONATO

Barrister & Solicitor

#1100 - 838 West Hastings Street

Vancouver, B.C. V6C 0A6

Tel: 604-416-0097

Execution Date

Y	M	D
18	09	25

Transferor(s) Signature(s)

BLUESKY PROPERTIES (UD
LANDS) INC. by its authorized
signatory(ies):

Name:

Dale Bosa

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.

Officer Signature(s)



CHRIS FERRONATO
Barrister & Solicitor
#1100 – 838 West Hastings Street
Vancouver, B.C. V6C 0A6
Tel: 604-416-0097

Execution Date

Y	M	D
18	09	25

Transferor / Borrower / Party Signature(s)

BLUESKY PROPERTIES (UD LANDS)
INC. by its authorized signatory(ies) (as
Transferee):



Name:

Dale Bosa

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

Officer Signature(s)

Commissioner for Taking Affidavits in British Columbia

(as to the signature of the City Clerk)
13450 - 104 Avenue
Surrey, BC V3T 1V8

Execution Date

Y	M	D
18		

Transferor / Borrower / Party Signature(s)

CITY OF SURREY by its authorized signatories:

General Manager, Planning and Development by his authorized designate Ron Gill, Manager, Area Planning & Development - North Division

Jane Sullivan, City Clerk

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.

Officer Signature(s)

Execution Date

Y	M	D
18		

Transferor / Borrower / Party Signature(s)

SURREY CITY DEVELOPMENT
CORPORATION by its authorized
signatory(ies):

Name:

Name:

OFFICER CERTIFICATION:

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

Officer Signature(s)

Execution Date

Y	M	D
18		

Transferor / Borrower / Party Signature(s)

HSBC BANK CANADA by its
authorized signatory(ies):

Name: _____

Name: _____

OFFICER CERTIFICATION:

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

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [LEGAL DESCRIPTION]

**NO PID NMBR LOT A SECTION 22 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER
DISTRICT PLAN EPP79101**

STC? YES

[Related Plan Number]

EPP79101

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [LEGAL DESCRIPTION]

**NO PID NMBR LOT B SECTION 22 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER
DISTRICT PLAN EPP79101**

STC? YES

[Related Plan Number]

EPP79101

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [LEGAL DESCRIPTION]

STC? YES

LAND TITLE ACT
FORM E

SCHEDULE

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Easement		Section 2.02 Dominant Lands: Registered Owner of Parcel Identifier: NPA, Lot B Section 22 Block 5 North Range 2 West New Westminster District Plan EPP79101
Priority Agreement		granting the Easement with one registration number less priority over Mortgage CA2326575, Mortgage CA2404302, Assignment of Rents CA2404303, Mortgage CA2977741 and Assignment of Rents CA2977742
Easement		Section 3.02 Dominant Lands: Registered Owner of Parcel Identifier: NPA, Lot A Section 22 Block 5 North Range 2 West New Westminster District Plan EPP79101
Priority Agreement		granting the Easement with one registration number less priority over Mortgage CA2326575, Mortgage CA2404302, Assignment of Rents CA2404303, Mortgage CA2977741 and Assignment of Rents CA2977742
Covenant		Section 9.01 Registered Owner: City of Surrey, as Transferee
Priority Agreement		granting the Covenant with one registration number less priority over Mortgage CA2326575, Mortgage CA2404302, Assignment of Rents CA2404303, Mortgage CA2977741 and Assignment of Rents CA2977742

LAND TITLE ACT
FORM E

SCHEDULE

NATURE OF INTEREST
Equitable Charge

CHARGE NO.

ADDITIONAL INFORMATION
Section 7.01

NATURE OF INTEREST
Equitable Charge

CHARGE NO.

ADDITIONAL INFORMATION
Section 7.02

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

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

5. TRANSFEROR(S):

BLUESKY PROPERTIES (UD LANDS) INC. (Inc. No. BC0914328)
SURREY CITY DEVELOPMENT CORPORATION (Inc. No. BC0789162) (As to Priority)
HSBC BANK CANADA (As to Priority)

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

BLUESKY PROPERTIES (UD LANDS) INC. (Inc. No. BC0914328) of 1201 - 838 West Hastings Street, Vancouver, British Columbia, V6C 0A6 (as to the Easement in Section 2.02 and Equitable Charge in Section 7.01)

BLUESKY PROPERTIES (UD LANDS) INC. (Inc. No. BC0914328) of 1201 - 838 West Hastings Street, Vancouver, British Columbia, V6C 0A6 (as to the Easement in Section 3.02 and Equitable Charge in Section 7.02)

CITY OF SURREY of 13450 - 104 Avenue, Surrey, British Columbia, V3T 1V8 (as to the Covenant)

TERMS OF INSTRUMENT – PART 2

**RECIPROCAL AMENITY SPACE EASEMENT,
COST SHARING AGREEMENT AND SECTION 219 COVENANT**

THIS AGREEMENT dated for reference September 25, 2018.

AMONG:

BLUESKY PROPERTIES (UD LANDS) INC. (Incorporation No. BC0914328), having an office at 1201 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6

(the “**Lot A Owner**”)

AND:

BLUESKY PROPERTIES (UD LANDS) INC. (Incorporation No. BC0914328), having an office at 1201 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6

(the “**Lot B Owner**, and together with the Lot A Owner, the “**Owners**”, and each, an “**Owner**”)

AND:

CITY OF SURREY, 13450 - 104 Avenue, Surrey, British Columbia, V3T 1V8

(the “**City**”)

WHEREAS:

- A. The Lot A Owner is the registered owner in fee simple of the lands and premises situate in the City of Surrey, in the Province of British Columbia, and legally described as:

Parcel Identifier: NPA

Lot A Section 22 Block 5 North Range 2 West New Westminster District Plan EPP79101

(“**Lot A**”);

- B. The Lot B Owner is the registered owner in fee simple of all and singular those certain parcels or tracts of land and premises situate in the City of Surrey, in the Province of British Columbia, and legally described as:

Parcel Identifier: NPA

Lot B Section 22 Block 5 North Range 2 West New Westminster District Plan EPP79101

(“**Lot B**”);

- C. Pursuant to Development Permit No. 7918-0058-00, authorized by the City, the Lot A Owner has received approval to construct the Lot A Building, including the Lot A Amenity Space, on Lot A, all as herein defined;
- D. The Lot B Owner intends to develop the Lot B Building, including the Lot B Amenity Space, on Lot B, all as herein defined;
- E. It is the intention of the Lot A Owner and the Lot B Owner that once the Lot A Building and the Lot B Building have been fully constructed, the owners of the Lot A Building and the owners of the Lot B Building shall share the use, enjoyment and expenses associated with using, maintaining, repairing, replacing and operating the Lot A Amenity Space and the Lot B Amenity Space;
- F. The Lot A Owner and the Lot B Owner wish to record the respective rights to access and use and the obligations to contribute to the costs of using, maintaining, repairing and replacing the Lot A Amenity Space and the Lot B Amenity Space;
- G. Pursuant to Section 18(5) of the *Property Law Act* (British Columbia), a registered owner in fee simple may grant itself an easement over land that it owns for the benefit of other land that it owns in fee simple; and
- H. Section 219 of the *Land Title Act* states that a covenant in favour of a municipality may be registered as a charge against the title to land and is enforceable against the covenantor and its successors in title even if the covenant is not annexed to land owned by the municipality.

NOW THEREFORE in consideration of the premises and the sum of Ten (\$10.00) Dollars paid by each of the parties hereto to each other, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and will not be denied, the parties hereto agree as follows:

1.00 Interpretation

1.01 Definitions

The parties agree that in this Agreement, the following terms have the meaning ascribed to them unless the context otherwise required:

- (a) **“Agreement”** means this agreement, including its recitals and schedules, all as may be amended in writing from time to time;
- (b) **“Amenity Space”** means the Lot A Amenity Space or the Lot B Amenity Space, as the context requires;
- (c) **“Annual Actual Lot A Amenity Space Operating Costs Statement”** has the meaning ascribed thereto in Section 5.03;
- (d) **“Annual Actual Lot B Amenity Space Operating Costs Statement”** has the meaning ascribed thereto in Section 6.03;
- (e) **“Annual Estimated Lot A Amenity Space Costs Budget”** means the annual operating costs budget prepared by the Lot A Owner for the Lot A Amenity Space;

- (f) **“Annual Estimated Lot B Amenity Space Costs Budget”** means the annual operating costs budget prepared by the Lot B Owner for the Lot B Amenity Space;
- (g) **“Construct”** means to alter, construct, demolish, enlarge, erect, extend, install, place, reconstruct, replace, repair, remove or renew and all activities or other work incidental or related thereto and “Constructing”, “Construction” and “Constructed” have a corresponding meaning;
- (h) **“Damaged Improvements”** has the meaning ascribed thereto in Section 10.01;
- (i) **“Inspect”** means to inspect, test or examine any Parcel from time to time for the purpose of ascertaining or determining whether any defect, damage or condition exists or is imminent to such Parcel, or for the purpose of ascertaining or determining whether any defect, damage or condition exists or is imminent which has resulted or may result in the loss of access or egress or support to or use of such other Parcel, and “Inspect” and “Inspected” have corresponding meanings;
- (j) **“Land Title Act”** means the *Land Title Act*, R.S.B.C. 1996, c. 250, as amended and replaced from time to time;
- (k) **“Land Title Office”** means the New Westminster Land Title Office;
- (l) **“Lands”** means, together, Lot A and Lot B;
- (m) **“Lot A”** means those certain lands situate in the City of Surrey upon which the Lot A Building will be constructed and legally described in Recital A;
- (n) **“Lot A Amenity Space”** means the amenity space forming part of the Lot A Building and containing an outdoor amenity area including a children’s play area and a detention pond / water feature, all of which will form part of the common property of the Lot A Strata Corporation and are approximately shown in blue on the Project Plans, together with all related landscaping, all plumbing, mechanical, electrical and HVAC systems servicing such areas and facilities and all corridors, walkways, entrances, lobbies, stairs, stairwells, elevators, sidewalks and other means of access and egress which are designed, constructed, suitable and/or intended for use for access to and egress from such areas and facilities;
- (o) **“Lot A Amenity Space Costs”** means the aggregate, without duplication, of all costs incurred by the Lot A Strata Corporation, as reasonably required or appropriate in owning and operating the Lot A Amenity Space to a first class standard including, without limiting the generality of the foregoing:
 - (i) operating, Maintaining, Repairing and replacing the Lot A Amenity Space;
 - (ii) operating, Maintaining, Repairing and replacing the exhaust systems, HVAC systems, fire prevention systems and service connections, including all machinery, equipment, pipes, conduits, ducts, vents and all devices providing services and utilities, all structural Repairs and

correcting all structural defects to the structural elements whose primary purpose is support for the Lot A Amenity Space;

- (iii) utilities and services serving or benefitting the Lot A Amenity Space including, without limitation, lighting, water, electricity, cable, gas, telephone, security and internet service
- (iv) cleaning, janitorial, supervisory, security and maintenance services in respect of the Lot A Amenity Space;
- (v) costs reasonably allocated to insuring the common property against such perils and with deductibles a reasonably prudent owner thereof would insure against;
- (vi) reasonable management fees and employee costs incurred in connection with operating, Maintaining, Repairing, providing security services for and replacing the Lot A Amenity Space;
- (vii) the costs of painting and Repairing and replacing signage relating to the Lot A Amenity Space, landscaping and snow removal, all equipment leasing costs and/or the costs of acquiring exercise and other equipment, furniture, furnishings, as the case may be, for any such items contained or used in the Lot A Amenity Space,

but excluding:

- (viii) the costs of structural Repairs and correcting structural defects to the structural elements of the Lot A Building whose sole purpose is not to support the Lot A Amenity Space;
- (p) **“Lot A Amenity Space Easement”** means the easement granted by the Lot A Owner to the Lot B Owner to use the Lot A Amenity Space pursuant to Section 2.02 hereof;
- (q) **“Lot A Building”** means the 28 storey residential concrete highrise building with ground floor townhouses containing 323 residential strata lots and common property including the Lot A Amenity Space, all to be constructed on Lot A;
- (r) **“Lot A Owner”** means the registered owner from time to time of Lot A and any Parcel into which Lot A is subdivided, and its successors and assigns and includes, where the context requires, the Lot A Strata Corporation or the owner of the Lot A Strata Lots;
- (s) **“Lot B”** means those certain lands situate in the City of Surrey upon which the Lot B Building will be constructed and legally described in Recital B;
- (t) **“Lot B Amenity Space”** means the amenity space forming part of the Lot B Building and containing:

- (i) a bicycle pavilion associated with an at grade secure bicycle storage area, including bicycle cleaning and maintenance areas, lockers, lounge space, as well as an indoor cycling studio as a complementary use;
- (ii) an indoor amenity facility containing:
 - (A) a fitness facility, together with washrooms and change facilities, on level 3 of the Lot B Building; and
 - (B) a kitchen with eating area, a lounge area, a play area, a meeting room and a multi-purpose room on level 4 of the Lot B Building; and
- (iii) an amenity lobby and lounge at the ground level, connected to an outdoor seating area, providing the entrance to the indoor amenity facility;
- (iv) a large outdoor pool deck on level 5 (rooftop) of the Lot B Building and related facilities; and
- (v) a courtyard with seating,

all of which will form part of the common property of the Lot B Strata Corporation and are approximately shown in blue on the Project Plans, together with all related landscaping, all plumbing, mechanical, electrical and HVAC systems servicing such areas and facilities and all corridors, walkways, entrances, lobbies, stairs, stairwells, elevators, sidewalks and other means of access and egress which are designed, constructed, suitable and/or intended for use for access to and egress from such areas and facilities;

- (u) **“Lot B Amenity Space Costs”** means the aggregate, without duplication, of all costs incurred by the Lot B Strata Corporation, as reasonably required or appropriate in owning and operating the Lot B Amenity Space to a first class standard including, without limiting the generality of the foregoing:
 - (i) operating, Maintaining, Repairing and replacing the Lot B Amenity Space;
 - (ii) operating, Maintaining, Repairing and replacing the exhaust systems, HVAC systems, fire prevention systems and service connections, including all machinery, equipment, pipes, conduits, ducts, vents and all devices providing services and utilities, all structural Repairs and correcting all structural defects to the structural elements whose primary purpose is support for the Lot B Amenity Space;
 - (iii) utilities and services serving or benefitting the Lot B Amenity Space including, without limitation, lighting, water, electricity, cable, gas, telephone, security and internet service
 - (iv) cleaning, janitorial, supervisory, security and maintenance services in respect of the Lot B Amenity Space;

- (v) costs reasonably allocated to insuring the common property against such perils and with deductibles a reasonably prudent owner thereof would insure against;
- (vi) reasonable management fees and employee costs incurred in connection with operating, Maintaining, Repairing, providing security services for and replacing the Lot B Amenity Space;
- (vii) the costs of painting and Repairing and replacing signage relating to the Lot B Amenity Space, landscaping and snow removal, all equipment leasing costs and/or the costs of acquiring exercise and other equipment, furniture, furnishings, as the case may be, for any such items contained or used in the Lot B Amenity Space,

but excluding:

- (viii) the costs of structural Repairs and correcting structural defects to the structural elements of the Lot B Building whose sole purpose is not to support the Lot B Amenity Space;
- (v) **“Lot B Amenity Space Easement”** means the easement granted by the Lot B Owner to the Lot A Owner to use the Lot A Amenity Space pursuant to Section 3.01 hereof;
- (w) **“Lot B Building”** means the 37 storey concrete highrise building with ground floor townhouses containing 419 residential strata lots and common property including the Lot B Amenity Space, all of which may be constructed on Lot B;
- (x) **“Lot B Owner”** means the registered owner from time to time of Lot B and any Parcel into which Lot B is subdivided, and its successors and assigns and includes, where the context requires, the Lot B Strata Corporation or the owner of the Lot B Strata Lots;
- (y) **“Maintain”** means to keep in a good and proper state of repair, normal wear and tear excepted, and in a clean and safe condition including, without limiting the generality of the foregoing, cleaning, pressure washing, painting and resurfacing, as would a prudent owner from time to time, and “Maintenance”, “Maintained” and “Maintaining” have corresponding meanings;
- (z) **“Major Damage”** in respect of a Parcel occurs when:
 - (i) the Damaged Improvements on such Parcel are damaged or destroyed to the extent that the benefit and use of the easements granted herein to the Other Owner are diminished or are likely to be diminished in a material way and based on the opinion of a certified professional chosen by the Owner of the Parcel containing the Damaged Improvements, such damage or destruction cannot reasonably be Repaired or renewed within 90 days after the date such damage or destruction occurred;
 - (ii) the Damaged Improvements on such Parcel are condemned; or

- (iii) the insurers for the Owner of the Parcel containing the Damaged Improvements, pursuant to policies of insurance maintained in accordance with this Agreement, elect to treat the Damaged Improvements as a total loss,

provided that the determination of the extent of damage or destruction as provided in this Agreement shall be made by a certified professional chosen by the Lot A Owner;

- (aa) **“Other Owner”** means, vis à vis any Owner, as an owner of a Parcel, the Owner of the Other Parcel;
- (bb) **“Other Parcel”** means, vis à vis any Parcel, the other Parcel;
- (cc) **“Parcel”** means individually Lot A, Lot B and any Strata Lot or any parcel into which any of the foregoing are subdivided into, and **“Parcels”** means two or more of them as them as the context requires;
- (dd) **“Prime Rate”** means the annual rate of interest announced from time to time by the Royal Bank of Canada, Main Branch, Vancouver, British Columbia, or such other bank as selected by the Lot B Owner from time to time, as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada;
- (ee) **“Project Plans”** means those excerpts of the architectural plans of the Lot A Building and the Lot B Building prepared by ZGF Architects Inc. and attached hereto as Schedule “A”;
- (ff) **“Proportionate Share”** means in respect of the Lot A Strata Corporation and the Lot B Strata Corporation, the contribution required to be made by them pursuant to Section 5.00 towards payment of the Lot A Amenity Space Costs and pursuant to Section 6.00 towards payment of the Lot B Amenity Space Costs which, in each case, will be the percentage of such costs derived from the following ratios:
 - (A) For Lot A Strata Corporation:
$$\frac{\text{Total Unit Entitlement of all Strata Lots in the Lot A Strata Plan}}{\text{Total Unit Entitlement of all Strata Lots in Lot A Strata Plan} + \text{Total Unit Entitlement of all Strata Lots in the Lot B Strata Plan}};$$
 and
 - (B) For the Lot B Strata Corporation
$$\frac{\text{Total Unit Entitlement of all Strata Lots in the Lot B Strata Plan}}{\text{Total Unit Entitlement of all Strata Lots in the Lot A Strata Plan} + \text{Total Unit Entitlement of all Strata Lots in the Lot B Strata Plan}};$$
- (gg) **“Repair”** means:
 - (i) to remedy any defect and to repair any damage to any part of a Parcel; or

- (ii) to take any action reasonably necessary to remedy any failure of a Parcel owner to provide another Parcel owner's easements and rights, as granted hereunder,

and "Repaired" and "Repairing" have corresponding meanings;

- (hh) "**Strata Corporation**" means the strata corporation created with respect to Lot A or Lot B, as the case may be, by deposit of the Strata Plan;
- (ii) "**Strata Lot Owners**" means, from time to time, the registered owners of Strata Lots and "**Strata Lot Owner**" means any one of them;
- (jj) "**Strata Lots**" means the strata lots created upon deposit of the Strata Plan which subdivides Lot A or Lot B into Strata Lots and common property in accordance with the provisions of the *Strata Property Act* and "**Strata Lot**" means any one of such Strata Lots;
- (kk) "**Strata Plan**" means the strata plan subdividing Lot A or Lot B, as the case may be, into Strata Lots and common property in accordance with the provisions of the *Strata Property Act*;
- (ll) "**Strata Property Act**" means the *Strata Property Act*, S.B.C. 1998, c. 43 and amendments thereto and re-enactments thereof; and
- (mm) "**Users**" means the owners, tenants and occupants including, without limitation, any strata unit owners, from time to time of all or any part of a Parcel and their respective employees, servants, workers, agents, officers, contractors, consultants, licensees and invitees whether their authorization to access is implied or expressed unless any of such employees, servants, agents, officers, contractors, licensees or invitees are expressly not authorized.

1.02 Interpretation

Whenever the singular or the masculine or neuter is used herein, the same shall be construed as meaning the plural, feminine or the body corporate or politic where the context or the parties so require. Every reference to each party is deemed to include the heirs, executors, administrators, successors, assigns, employees, agents, officers and invitees of such party wherever the context so requires or allows.

1.03 Headings

The inclusion of headings and clause titles is for convenience only and shall not affect the construction or interpretation of this Agreement;

1.04 Reference to Enactments

Reference in this Agreement to any enactment, including laws of the City, is a reference to that enactment as amended, revised, consolidated or replaced.

1.05 Schedules

The following schedules are attached and form part of this Agreement:

Schedule A – Project Plans

2.00 **Lot A Amenity Space Easement**

2.01 Premise of Conditional Grant of Easement. The Lot A Amenity Space Easement granted by the Lot A Owner to the Lot B Owner pursuant to this Section 2.01, and the Lot B Owner's obligations set out in this Section 2.00, are predicated and conditional on:

- (a) the Lot A Owner constructing the Lot A Building;
- (b) the Lot B Owner constructing the Lot B Building; and
- (c) the Lot B Owner and its successors in title to Lot B accepting the burden contained in all positive covenants and assuming as a continuing obligation of all the positive covenants set forth herein including, without limiting the generality of the foregoing, the covenant and obligation to pay its Proportionate Share of the Lot A Amenity Space Costs. The continuing use of the aforesaid easement is completely conditional on the Lot B Owner's continuing performance of a positive obligation to comply with all positive covenants set forth herein including, without limitation, the positive covenant and obligation to pay its Proportionate Share of the Lot A Amenity Space Costs and performance of such positive covenants is fundamental to the grant of this easement.

2.02 Grant of Easement. Subject to Section 2.01, the Lot A Owner hereby grants to the Lot B Owner and its Users, for so long as the aforesaid covenants and conditions are satisfied, the non-exclusive, full, free and uninterrupted right, liberty and easement in, over, within and through Lot A in common with the Lot A Owner and its successors, as owner of Lot A, to enter, go, pass and repass and use the Lot A Amenity Space at such times as the Lot A Owner from time to time may specify provided same specified hours apply to its own usage of the Lot A Amenity Space, for the purpose of using and enjoying same but subject always to the aforesaid condition as well as the reservations and limitations herein contained.

The Lot B Owner's and its successors' and assigns' use of the Lot A Amenity Space shall be irrefutable evidence of its agreement to assume the positive covenants on its part to be observed and performed herein.

2.03 Area Restriction. Notwithstanding anything herein contained to the contrary, the Lot B Owner and its Users shall not have access to any part of Lot A except the Lot A Amenity Space and those parts and features of Lot A (including, without limitation, all corridors, hallways, walkways, entrances, lobbies, doors, stairs, stairwells, sidewalks, plazas, elevators corridors, stairs and stairwells) which are designed, constructed, suitable and/or intended for use for pedestrian access to and egress from the Lot A Amenity Space.

2.04 Benefit and Burden. The easement granted in Section 2.02 will be appurtenant to and for the benefit of Lot B and will charge and be a burden upon and run with Lot A.

2.05 Secured Areas. Notwithstanding any provision herein, the Lot B Owner acknowledges, covenants and agrees with the Lot A Owner that, despite the easement rights granted to it to use the Lot A Amenity Space pursuant to Section 2.02, certain areas of the Lot A Amenity Space may be secured areas and accessible only by key, fob, access card or other similar device (“**Lot A Amenity Access Device**”) and if a User of Lot B does not have an Amenity Access Device to access any such areas (or alternatively, such User’s Lot A Amenity Access Device is not programmed to permit access), then such access shall only be conducted under escort by the property manager or other authorized personnel of the Lot A Owner or at the discretion of such person by requiring such User to obtain a Lot A Amenity Access Device.

2.06 Rules and Regulations. The Lot A Owner may from time to time make reasonable rules and regulations governing, restricting or affecting the manner in which the Lot A Amenity Space may be accessed or used or enjoyed by the Lot B Owner and amend and rescind the same from time to time. It may take all reasonable actions and impose such fines as may reasonably be necessary to enforce or prevent any breach of such rules and regulations; provided that such rules and regulations are solely for the purpose of reasonably regulating the hours of use, security, enjoyment, access, safety, cleanliness, management maintenance, health safety and operation of the Lot A Amenity Space and PROVIDED ALWAYS that such rules and regulations must apply equally to the Lot A Owner as well as to the Lot B Owner.

The Lot A Owner covenants and agrees with the Lot B Owner to observe and obey such rules and regulations enacted from time to time pursuant to this Section 2.06.

2.07 Enjoyment of Easement. The Lot B Owner covenants and agrees with the Lot A Owner and upon it performing and observing the terms, covenants and conditions on its part to be performed and observed, shall and may peaceably hold and enjoy the rights, licenses, liberties, rights of way, privileges and easements hereby granted, without hindrance, molestation or interruption on the part of the Lot A Owner, as owner of Lot A, and more particularly the Lot A Amenity Space or any person, firm or corporation claiming by, through, under or in trust for the Lot A Owner, as owner of Lot A.

The Lot A Owner will not, except in the case of emergency or temporarily, and only in accordance with Section 2.10 hereof, interfere with the use of the Lot A Amenity Space as herein contemplated and the rights herein granted.

Subject to the provisions of Section 2.10, the Lot A Owner will not materially alter any portion of the Lot A Amenity Space, whether or not with respect to any other lands, without the prior written consent of the Lot B Owner, which consent will not be unreasonably withheld, conditioned or delayed.

2.08 Covenants – The Lot A Owner. The Lot A Owner hereby covenants and agrees with the Lot B Owner that:

- (a) it will well and substantially Repair, Maintain, paint, mend, renew and replace the Lot A Amenity Space in first class condition and working order as a prudent owner would do;

- (b) it will take out or cause to be taken out and keep or cause to be kept in force at all times, comprehensive public liability insurance in respect of claims for personal injury, death or property damage arising out of any one occurrence in the Lot A Amenity Space to an amount not less than \$5,000,000 or such higher amounts from time to time as may become customary for comparable facilities in the City and which policy must:
- (i) name each of the Lot A Owner and the Lot B Owner as a named insured under the policy;
 - (ii) prohibit the insurer from exercising any right of subrogation against any named insured;
 - (iii) afford protection to all in respect of cross-liability and to provide that the coverage under the policy shall not be cancelled or any provisions changed or deleted unless thirty (30) days prior written notice is given to each named insured by the insurer; and
 - (iv) deliver to each named insured a copy of the insurance policy required pursuant to this Section 2.08 and provide from time to time, upon request, proof that all premiums under the policy required to be maintained by them have been paid and that it is in full force and effect and contains the terms and conditions set out in this Section 2.08.

2.09 Reservations and Limitations. Notwithstanding the conditional easement to use the Lot A Amenity Space granted in Section 2.02 and the covenants made herein, there is hereby reserved to the Lot A Owner in respect of the aforesaid easement, subject to the restrictions and limitations herein set forth, the right at all times hereafter and from time to time:

- (a) Temporary Interruptions. To temporarily interrupt the access, use and enjoyment by the Lot B Owner if such temporary interruption is reasonably required to facilitate the Inspection, Maintenance, Construction or Repair of the Lot A Amenity Space as may be required by the Lot A Owner or as the Lot A Owner may deem expedient provided that such temporary interruption is as short as reasonably possible and that reasonable notice of the interruption is delivered to the Lot B Owner (except in the case of emergency when no notice is required). For greater certainty, posting such notices in the elevator or lobby areas of the Lot B Market Condo Building will be sufficient notice of such interruption;
- (b) Construction. To Inspect, Maintain, Construct or Repair any improvement on or about or forming part of the Lot A Amenity Space as it may reasonably require or deem expedient;
- (c) Limitations. The Lot B Owner and its Users in exercising the easement to use the Lot A Amenity Space granted pursuant to Section 2.02 shall:
 - (i) only use and access those portions of the Lot A Amenity Space for which it is reasonable for them to have access to and the use of and not use any electrical, plumbing, mechanical and HVAC systems and the areas and related hallways in which they are contained or access is given thereto

and to the extent that such rights, liberties and easements granted herein for their benefit are not required by them, then they shall not exercise such rights, liberties and easements; and

- (ii) at all times act in a reasonable and fair manner, with the intent that in its exercise of the rights, liberties and easements granted herein, they shall not exploit, misuse or abuse any of the rights liberties and easements granted to them, and where a reasonable alternative exists and in light of which, it is not necessary for them to exercise any of the rights, liberties and easements granted herein, then they shall endeavor to use such reasonable alternatives.

2.10 Covenants. The Lot B Owner hereby covenants and agrees with the Lot A Owner, in respect of the Lot A Amenity Space Easement granted to it:

- (a) Minimize Interference with Lot A Amenity Space Owner. It will, in exercising its rights to use the Lot A Amenity Space Easement located in Lot A:
 - (i) use only those portions of Lot A as may be reasonably required for the purposes of such easement;
 - (ii) use all reasonable efforts to cause as little Interference as possible with the use and enjoyment of Lot A by the Lot A Owner; and
 - (iii) if the exercise of such rights and easement to use the Lot A Amenity Space causes any damage to Lot A, forthwith, at its own expense, restore Lot A to a condition as near as is reasonably practicable to the condition thereof existing immediately prior to the exercise by it of the rights and easement granted to it to use the Lot A Amenity Space;
- (b) Minimize Nuisance. It will use all reasonable efforts to minimize the nuisance and inconvenience to the occupants of the Lot A Owner arising out of any use by it of the Lot A Amenity Space;
- (c) Rules and Regulations. It will abide by any rules, regulations and security arrangements established by the Lot A Owner from time to time pursuant to Section 2.06 hereof in connection with the use of the Lot A Amenity Space.

3.00 **Lot B Amenity Space Easement**

3.01 Premise of Conditional Grant of Easement. The Lot B Amenity Space Easement granted by the Lot B Owner to the Lot A Owner pursuant to this Section 2.01, and the Lot A Owner's obligations set out in this Section 3.00, are predicated and conditional on:

- (a) the Lot A Owner constructing the Lot A Building;
- (b) the Lot B Owner constructing the Lot B Building; and
- (c) the Lot A Owner and its successors in title to Lot A accepting the burden contained in all positive covenants and assuming as a continuing obligation of all

the positive covenants set forth herein including, without limiting the generality of the foregoing, the covenant and obligation to pay its Proportionate Share of the Lot B Amenity Space Costs. The continuing use of the aforesaid easement is completely conditional on the Lot B Owner's continuing performance of a positive obligation to comply with all positive covenants set forth herein including, without limitation, the positive covenant and obligation to pay its Proportionate Share of the Lot B Amenity Space Costs and performance of such positive covenants is fundamental to the grant of this easement.

- 3.02 Grant of Easement. Subject to Section 2.01, the Lot B Owner hereby grants to the Lot A Owner and its Users, for so long as the aforesaid covenants and conditions are satisfied, the non-exclusive, full, free and uninterrupted right, liberty and easement in, over, within and through Lot B in common with the Lot B Owner and its successors, as owner of Lot B, to enter, go, pass and repass and use the Lot B Amenity Space at such times as the Lot A Owner from time to time may specify provided same specified hours apply to its own usage of the Lot B Amenity Space, for the purpose of using and enjoying same but subject always to the aforesaid condition as well as the reservations and limitations herein contained.

The Lot A Owner's and its successors' and assigns' use of the Lot B Amenity Space shall be irrefutable evidence of its agreement to assume the positive covenants on its part to be observed and performed herein.

- 3.03 Area Restriction. Notwithstanding anything herein contained to the contrary, the Lot A Owner and its Users shall not have access to any part of Lot B except the Lot B Amenity Space and those parts and features of Lot B (including, without limitation, all corridors, hallways, walkways, entrances, lobbies, doors, stairs, stairwells, sidewalks, plazas, elevators corridors, stairs and stairwells) which are designed, constructed, suitable and/or intended for use for pedestrian access to and egress from the Lot B Amenity Space.
- 3.04 Benefit and Burden. The easement granted in Section 3.02 will be appurtenant to and for the benefit of Lot A and will charge and be a burden upon and run with Lot B.
- 3.05 Secured Areas. Notwithstanding any provision herein, the Lot A Owner acknowledges, covenants and agrees with the Lot B Owner that, despite the easement rights granted to it to use the Lot B Amenity Space pursuant to Section 2.02, certain areas of the Lot B Amenity Space may be secured areas and accessible only by key, fob, access card or other similar device ("**Lot B Amenity Access Device**") and if a User of Lot B does not have an Amenity Access Device to access any such areas (or alternatively, such User's Lot B Amenity Access Device is not programmed to permit access), then such access shall only be conducted under escort by the property manager or other authorized personnel of the Lot B Owner or at the discretion of such person by requiring such User to obtain a Lot B Amenity Access Device.
- 3.06 Rules and Regulations. The Lot B Owner may from time to time make reasonable rules and regulations governing, restricting or affecting the manner in which the Lot B Amenity Space may be accessed or used or enjoyed by the Lot A Owner and amend and rescind the same from time to time. It may take all reasonable actions and impose such fines as may reasonably be necessary to enforce or prevent any breach of such rules and regulations; provided that such rules and regulations are solely for the purpose of reasonably regulating

the hours of use, security, enjoyment, access, safety, cleanliness, management maintenance, health safety and operation of the Lot B Amenity Space and PROVIDED ALWAYS that such rules and regulations must apply equally to the Lot A Owner as well as to the Lot B Owner.

The Lot A Owner covenants and agrees with the Lot B Owner to observe and obey such rules and regulations enacted from time to time pursuant to this Section 2.06.

- 3.07 Enjoyment of Easement. The Lot A Owner covenants and agrees with the Lot B Owner and upon it performing and observing the terms, covenants and conditions on its part to be performed and observed, shall and may peaceably hold and enjoy the rights, licenses, liberties, rights of way, privileges and easements hereby granted, without hindrance, molestation or interruption on the part of the Lot B Owner, as owner of Lot B, and more particularly the Lot B Amenity Space or any person, firm or corporation claiming by, through, under or in trust for the Lot B Owner, as owner of Lot B.

The Lot B Owner will not, except in the case of emergency or temporarily, and only in accordance with Section 2.10 hereof, interfere with the use of the Lot B Amenity Space as herein contemplated and the rights herein granted.

Subject to the provisions of Section 2.10, the Lot B Owner will not materially alter any portion of the Lot B Amenity Space, whether or not with respect to any other lands, without the prior written consent of the Lot A Owner, which consent will not be unreasonably withheld, conditioned or delayed.

- 3.08 Covenants – The Lot B Owner. The Lot B Owner hereby covenants and agrees with the Lot B Owner that:

- (a) it will well and substantially Repair, Maintain, paint, mend, renew and replace the Lot B Amenity Space in first class condition and working order as a prudent owner would do;
- (b) it will take out or cause to be taken out and keep or cause to be kept in force at all times, comprehensive public liability insurance in respect of claims for personal injury, death or property damage arising out of any one occurrence in the Lot B Amenity Space to an amount not less than \$5,000,000 or such higher amounts from time to time as may become customary for comparable facilities in the City and which policy must:
 - (i) name each of the Lot B Owner and the Lot A Owner as a named insured under the policy;
 - (ii) prohibit the insurer from exercising any right of subrogation against any named insured;
 - (iii) afford protection to all in respect of cross-liability and to provide that the coverage under the policy shall not be cancelled or any provisions changed or deleted unless thirty (30) days prior written notice is given to each named insured by the insurer; and

- (iv) deliver to each named insured a copy of the insurance policy required pursuant to this Section 2.08 and provide from time to time, upon request, proof that all premiums under the policy required to be maintained by them have been paid and that it is in full force and effect and contains the terms and conditions set out in this Section 2.08.

3.09 Reservations and Limitations. Notwithstanding the conditional easement to use the Lot B Amenity Space granted in Section 2.02 and the covenants made herein, there is hereby reserved to the Lot B Owner in respect of the aforesaid easement, subject to the restrictions and limitations herein set forth, the right at all times hereafter and from time to time:

- (a) Temporary Interruptions. To temporarily interrupt the access, use and enjoyment by the Lot A Owner if such temporary interruption is reasonably required to facilitate the Inspection, Maintenance, Construction or Repair of the Lot B Amenity Space as may be required by the Lot B Owner or as the Lot B Owner may deem expedient provided that such temporary interruption is as short as reasonably possible and that reasonable notice of the interruption is delivered to the Lot A Owner (except in the case of emergency when no notice is required).
- (b) Construction. To Inspect, Maintain, Construct or Repair any improvement on or about or forming part of the Lot B Amenity Space as it may reasonably require or deem expedient;
- (c) Limitations. The Lot A Owner and its Users in exercising the easement to use the Lot B Amenity Space granted pursuant to Section 2.02 shall:
 - (i) only use and access those portions of the Lot B Amenity Space for which it is reasonable for them to have access to and the use of and not use any electrical, plumbing, mechanical and HVAC systems and the areas and related hallways in which they are contained or access is given thereto and to the extent that such rights, liberties and easements granted herein for their benefit are not required by them, then they shall not exercise such rights, liberties and easements; and
 - (ii) at all times act in a reasonable and fair manner, with the intent that in its exercise of the rights, liberties and easements granted herein, they shall not exploit, misuse or abuse any of the rights liberties and easements granted to them, and where a reasonable alternative exists and in light of which, it is not necessary for them to exercise any of the rights, liberties and easements granted herein, then they shall endeavor to use such reasonable alternatives.

3.10 Covenants. The Lot A Owner hereby covenants and agrees with the Lot B Owner, in respect of the Lot B Amenity Space Easement granted to it:

- (d) Minimize Interference with Lot B Amenity Space Owner. It will, in exercising its rights to use the Lot B Amenity Space Easement located in Lot B:
 - (i) use only those portions of Lot B as may be reasonably required for the purposes of such easement;

- (ii) use all reasonable efforts to cause as little Interference as possible with the use and enjoyment of Lot B by the Lot B Owner; and
- (iii) if the exercise of such rights and easement to use the Lot B Amenity Space causes any damage to Lot B, forthwith, at its own expense, restore Lot B to a condition as near as is reasonably practicable to the condition thereof existing immediately prior to the exercise by it of the rights and easement granted to it to use the Lot B Amenity Space;
- (e) Minimize Nuisance. It will use all reasonable efforts to minimize the nuisance and inconvenience to the occupants of the Lot B Owner arising out of any use by it of the Lot B Amenity Space;
- (f) Rules and Regulations. It will abide by any rules, regulations and security arrangements established by the Lot B Owner from time to time pursuant to Section 2.06 hereof in connection with the use of the Lot B Amenity Space.

4.00 Indemnities

4.01 Indemnities. Each Owner (the “**Indemnitor**”) shall indemnify and save the other Owner (the “**Indemnitee**”) harmless against all loss, damages, costs and liabilities suffered by the Indemnitee, including fees of solicitors and other professional advisors arising out of:

- (a) any breach, violation or non-performance by the Indemnitor or its Users, as the case may be, of any covenant, term or condition contained in this Agreement on its part to be observed or performed; and
- (b) any personal injury, death or property damage occurring in or about the Lot A Amenity Space and the Lot B Amenity Space and caused by the Indemnitor in carrying out or failing to carry out the activities or obligations of such party in the Lot A Amenity Space and the Lot B Amenity Space by virtue of this Agreement or otherwise including any matter or thing permitted or omitted by the Indemnitor, its servants, agents, contractors or subcontractors and the amount of that loss, damage, costs and liabilities shall be paid by the Indemnitor to the Indemnitee upon the Indemnitee providing proof of loss suffered by it,

except for any indirect, special or consequential damages or loss of profits and except to the extent such personal injury or death, property damage, or other loss or damage is caused by the act or omission, including negligent acts or omissions or willful misconduct, of the Indemnitee, its Users or any other person for whose conduct the Indemnitee is responsible.

5.00 Annual Estimated Operating Costs Budget for the Lot A Amenity Space

5.01 If and when the conditions in Section 2.01 have been satisfied, then prior to November 30th of each calendar year commencing with the calendar year in which such conditions have been satisfied or such other date that the Lot A Owner may decide, the Lot A Owner will prepare and deliver to the Lot B Owner the Annual Estimated Lot A Amenity Space Operating Costs Budget.

5.02 Reimbursement. Fundamental to and as a condition of the grant of easement to use the Lot A Amenity Space, the Lot B Owner covenants and agrees with the Lot A Owner to promptly and punctually pay to the Lot A Owner, or as it may direct, one-twelfth (1/12) of its Proportionate Share of the Annual Estimated Lot A Amenity Space Operating Costs Budget on the first day of each and every month during the fiscal period covered by such budget. If the Lot A Owner requires same, the Lot B Owner shall provide the Lot A Owner with post-dated cheques dated the first day of each month during the said fiscal period in the estimated amount or a pre-authorized cheque authorization permitting the automatic withdrawal of the required amount from the bank account of the payee.

Any monthly instalments that remain unpaid when due shall bear interest at the Prime Rate plus 5% per annum, calculated from the due date until paid, compounded monthly, not in advance. The Lot B Strata Corporation will allocate its Proportionate Share of the Annual Estimated Lot A Amenity Space Operating Costs Budget amongst the strata unit owners pro rata based on the unit entitlement of each such strata unit owner.

5.03 Budget Reconciliation. As soon as reasonably possible after the end of the fiscal period for which the Annual Estimated Lot A Amenity Space Operating Costs Budget has been prepared and in any event within 90 days of such period ending, the Lot A Owner shall provide the Lot B Owner with a written statement (the "**Annual Actual Lot A Amenity Space Operating Costs Statement**") certified correct by an officer of the Lot A Owner showing the particulars of the actual Lot A Amenity Space Costs incurred by the Lot A Owner for the preceding fiscal period in reasonable detail, in order to permit the Lot B Owner to determine that the expenditures were reasonably incurred. The Annual Actual Lot A Amenity Space Operating Costs Statement shall also include those amounts already paid by way of monthly instalments by the Lot B Owner, as the case may be, and any money owing by or to the Lot A Owner shall be paid or credited within 30 days of receipt of the said statement. All adjustments shall be based on the reconciliation between the monthly instalments already paid and the Annual Actual Lot A Amenity Space Operating Costs Statement. Any adjusted amounts that are owing and remain unpaid for more than 30 days shall bear interest at the Prime Rate plus 5% calculated from the 31st day until paid, compounded monthly, not in advance.

5.04 General

(a) The Lot A Owner agrees to keep accurate accounting records of the Lot A Amenity Space Costs, which records shall be available for inspection or audit at the year end by the Lot B Owner, upon 30 days notice, at reasonable times and such records will be kept 2 years with the inspection costs to be at the expense of the Lot B Owner.

(b) If the Lot B Owner disputes the actual Lot A Amenity Space Costs as shown on the Annual Actual Lot A Amenity Space Operating Costs Statement then it shall so notify the Lot A Owner within 30 days of receipt of such statement and the dispute will be settled in the manner set out in Section 5.05 hereof. Failing such notice, the Lot B Owner will be deemed to have accepted such statement.

5.05 Settlement of Disputes. All decisions, determinations and allocations to be made under this Section 5.05 by agreement between the Lot A Owner and the Lot B Owner which are not

made or resolved to their satisfaction (the “Disputes”, and each a “Dispute”) shall be settled in accordance with the requirements of this Section 5.05 as follows:

- (a) immediately after a Dispute arises between the parties as to their respective rights and obligations under this Section 5.00, the disputing party shall, as soon as practicable, give written notice of such Dispute to the other party setting forth particulars of the Dispute and the value of the amount claimed. The time requirement for notification provided for in Section 11.07 shall not be considered to have been modified by this Section 5.05. The other party shall reply to such notice no later than 14 days after it is received or is considered to have been received, setting out in such reply its answer;
- (b) the parties shall then refer such Dispute to non binding mediation before a single mediator to be chosen jointly by them. Failing agreement as to such mediator, then the single mediator shall be chosen by reference to a Judge of the Supreme Court of British Columbia; and
- (c) failing a settlement of the Dispute pursuant to Section 5.05(b), the matter will be referred to binding arbitration pursuant to Section 8.05 hereof.

5.06 Failure to Fulfil Obligation to Maintain and Repair

If the Lot A Owner fails to fulfil its obligations to Inspect, Maintain and Repair as set out in this Agreement and such failure interferes in a material way with the easements granted to the Lot B Owner pursuant to this Agreement, the Lot B Owner, upon giving the Lot A Owner not less than fourteen (14) days’ notice in writing (except in the case of emergency when no notice shall be required), shall have the right to perform such Inspection, Maintenance and Repairs and shall be entitled to be reimbursed therefor.

6.00 **Annual Estimated Operating Costs Budget for the Lot B Amenity Space**

6.01 If and when the conditions in Section 2.01 have been satisfied, then prior to November 30th of each calendar year commencing with the calendar year in which such conditions have been satisfied or such other date that the Lot B Owner may decide, the Lot B Owner will prepare and deliver to the Lot A Owner the Annual Estimated Lot B Amenity Space Operating Costs Budget.

6.02 Reimbursement. Fundamental to and as a condition of the grant of easement to use the Lot B Amenity Space, the Lot A Owner covenants and agrees with the Lot B Owner to promptly and punctually pay to the Lot A Owner, or as it may direct, one-twelfth (1/12) of its Proportionate Share of the Annual Estimated Lot B Amenity Space Operating Costs Budget on the first day of each and every month during the fiscal period covered by such budget. If the Lot B Owner requires same, the Lot A Owner shall provide the Lot B Owner with post-dated cheques dated the first day of each month during the said fiscal period in the estimated amount or a pre-authorized cheque authorization permitting the automatic withdrawal of the required amount from the bank account of the payee.

Any monthly instalments that remain unpaid when due shall bear interest at the Prime Rate plus 5% per annum, calculated from the due date until paid, compounded monthly, not in advance. The Lot A Strata Corporation will allocate its Proportionate Share of the Annual

Estimated Lot B Amenity Space Operating Costs Budget amongst the strata unit owners pro rata based on the unit entitlement of each such strata unit owner.

6.03 Budget Reconciliation. As soon as reasonably possible after the end of the fiscal period for which the Annual Estimated Lot B Amenity Space Operating Costs Budget has been prepared and in any event within 90 days of such period ending, the Lot B Owner shall provide the Lot A Owner with a written statement (the “**Annual Actual Lot B Amenity Space Operating Costs Statement**”) certified correct by an officer of the Lot B Owner showing the particulars of the actual Lot B Amenity Costs incurred by the Lot B Owner for the preceding fiscal period in reasonable detail, in order to permit the Lot A Owner to determine that the expenditures were reasonably incurred. The Annual Actual Lot B Amenity Space Operating Costs Statement shall also include those amounts already paid by way of monthly instalments by the Lot A Owner, as the case may be, and any money owing by or to the Lot B Owner shall be paid or credited within 30 days of receipt of the said statement. All adjustments shall be based on the reconciliation between the monthly instalments already paid and the Annual Actual Lot B Amenity Space Operating Costs Statement. Any adjusted amounts that are owing and remain unpaid for more than 30 days shall bear interest at the Prime Rate plus 5% calculated from the 31st day until paid, compounded monthly, not in advance.

6.04 General

- (a) The Lot A+B Owner agrees to keep accurate accounting records of the Lot B Amenity Space Costs, which records shall be available for inspection or audit at the year end by the Lot A Owner, upon 30 days notice, at reasonable times and such records will be kept 2 years with the inspection costs to be at the expense of the Lot A Owner.
- (b) If the Lot A Owner disputes the actual Lot B Amenity Space Costs as shown on the Annual Actual Lot B Amenity Space Operating Costs Statement then it shall so notify the Lot B Owner within 30 days of receipt of such statement and the dispute will be settled in the manner set out in Section 6.05 hereof. Failing such notice, the Lot A Owner will be deemed to have accepted such statement.

6.05 Settlement of Disputes. All decisions, determinations and allocations to be made under this Section 6.05 by agreement between the Lot A Owner and the Lot B Owner which are not made or resolved to their satisfaction (the “**Disputes**”, and each a “**Dispute**”) shall be settled in accordance with the requirements of this Section 6.05 as follows:

- (a) immediately after a Dispute arises between the parties as to their respective rights and obligations under this Section 6.00, the disputing party shall, as soon as practicable, give written notice of such Dispute to the other party setting forth particulars of the Dispute and the value of the amount claimed. The time requirement for notification provided for in Section 11.07 shall not be considered to have been modified by this Section 6.05. The other party shall reply to such notice no later than 14 days after it is received or is considered to have been received, setting out in such reply its answer;
- (b) the parties shall then refer such Dispute to non binding mediation before a single mediator to be chosen jointly by them. Failing agreement as to such mediator,

then the single mediator shall be chosen by reference to a Judge of the Supreme Court of British Columbia; and

- (c) failing a settlement of the Dispute pursuant to Section 6.05(b), the matter will referred to binding arbitration pursuant to Section 11.05 hereof.

6.06 Failure to Fulfil Obligation to Maintain and Repair

If the Lot B Owner fails to fulfil its obligations to Inspect, Maintain and Repair as set out in this Agreement and such failure interferes in a material way with the easements granted to the Lot A Owner pursuant to this Agreement, the Lot A Owner, upon giving the Lot B Owner not less than fourteen (14) days' notice in writing (except in the case of emergency when no notice shall be required), shall have the right to perform such Inspection, Maintenance and Repairs and shall be entitled to be reimbursed therefor.

7.00 **Equitable Charges**

7.01 Equitable Charge over Lot A

The Lot A Owner hereby grants to the Lot B Owner an equitable charge over Lot A for an amount equal to the Lot A Owner's Proportionate Share of the Annual Actual Lot A Amenity Space Operating Costs Statement and the Annual Actual Lot B Amenity Space Operating Costs Statement and reasonable interest thereon payable by the Lot A Owner to the Lot B Owner. In the event of a subdivision of Lot A by the deposit of a strata plan, this equitable charge shall attach to and charge each strata unit created thereby. This equitable charge shall be enforceable by a court appointed receiver for the sum hereby secured from the funds of the strata corporation from time to time and also shall have authority to make and enforce payment of special assessments against all strata unit owners to settle the claims of the Lot A Owner. In any action to enforce this equitable charge, the Lot B Owner shall be entitled to court costs on a solicitor and own client basis (in the event of success), which costs shall also be a charge on Lot B and shall be apportioned as aforesaid. This equitable charge shall enure to the benefit of the Lot B Owner and its successors and assigns and this equitable charge shall run with the land and shall be binding upon the Lot A Owner and its successors in title but, with respect to personal liability, only for so long as and to the extent that the Lot A Owner or its successor in title remains an owner of Lot A or a part thereof.

7.02 Equitable Charge over Lot B

The Lot B Owner hereby grants to the Lot A Owner an equitable charge over Lot B for an amount equal to the Lot B Owner's Proportionate Share of the Annual Actual Lot A Amenity Space Operating Costs Statement and the Annual Actual Lot B Amenity Space Operating Costs Statement and interest required to be paid by the Lot B Owner to the Lot A Owner hereunder. In the event of a subdivision of Lot B by the deposit of a strata plan, this equitable charge shall attach to and charge each strata unit created thereby. This equitable charge shall be enforceable by a court appointed receiver for the sum hereby secured from the funds of the strata corporation from time to time and also shall have authority to make and enforce payment of special assessments against all strata unit owners to settle the claims of the Lot B Owner. In any action to enforce this equitable charge, the Lot A Owner shall be entitled to court costs on a solicitor and own client basis (in the event

of success), which costs shall also be a charge on Lot B and shall be apportioned as aforesaid. This equitable charge shall enure to the benefit of the Lot A Owner and its successors and assigns and this equitable charge shall run with the land and shall be binding upon the Lot B Owner and its successors in title but, with respect to personal liability, only for so long as and to the extent that the Lot B Owner or its successor in title remains an owner of Lot B or a part thereof.

8.00 Subdivision

- 8.01 Subject to Section 8.02, if any Parcel is subdivided, including by way of Strata Plan, then the rights, covenants, easements and charges granted hereunder will continue to run with and bind each Subdivided Lot of which any part of any Easement Area or charged property forms a part.
- 8.02 Notwithstanding Section 8.01 and subject to Section 9.01(c), upon subdivision of a Parcel by a Strata Plan:
- (a) the burden and the benefit, as the case may be, of the equitable charge created pursuant to Sections 7.01 and 7.02 shall be registered against title to all Strata Lots; and
 - (b) the Section 219 Covenant created pursuant to Section 9.00 shall be registered against title to all Strata Lots.
- 8.03 Upon subdivision of a Parcel by a Strata Plan:
- (a) the Strata Corporation so created shall:
 - (i) perform and observe the parent Owner's covenants herein at the expense of the Strata Corporation and of the Strata Lot owners;
 - (ii) in respect of Lot A, perform and observe the Lot A Owner's covenants and obligations pursuant to the provisions of this Agreement;
 - (iii) in respect of Lot B, perform and observe the Lot B Owner's covenants and obligations pursuant to this Agreement;
 - (iv) enter into an assumption agreement with the other Owner and the City in a form satisfactory to the other Owner and the City, to assume all of the ongoing obligations hereunder and benefit from all of the rights as provided herein;
 - (v) take into consideration the content of this Agreement when creating, amending or rescinding the bylaws, rules and regulations of the Strata Corporation applicable to Strata Lot owners, and shall cause the Strata Lot owners to comply with the obligations, restrictions and limitations as provided herein;

- (vi) be responsible for any breach arising from any action or omission of any and all of the Strata Lot owners of the obligations, restrictions and limitations as provided herein; and
 - (vii) be entitled to give all permissions and consents permitted to be given by the Strata Lot owners;
- (b) the liability of each Strata Lot owner to pay any costs and expenses of the Owner of the stratified Parcel, as provided herein, shall be in proportion to the unit entitlement of his, her or its Strata Lot as established in accordance with the *Strata Property Act*; and
- (c) the Owner of the subdivided Parcel shall register an equitable charge as contemplated in Sections 7.01 and 7.02, as the case may be, against all of the Strata Lots and common property so created in favour of the other Owner;
- 8.04 Notwithstanding anything to the contrary provided in this Agreement, in the event of a subdivision of Lot B or Lot A, or any of them by the deposit in the Land Title Office of a Strata Plan in accordance with the *Strata Property Act*, the easements herein granted shall be accepted on behalf of the Strata Lot owners by the Strata Corporation created thereby and shall be administered, enforced, modified, or released by the Strata Corporation only and, in particular, without limiting the generality of the foregoing, the Strata Corporation shall make all payments required to be made hereunder and shall receive all payments to be paid hereunder and in respect of any Inspections, Repairs, Maintenance and replacements required hereunder and for obtaining the insurance policies required hereunder. The Strata Lot owners shall not attempt to carry out any of the Inspections, Repairs, Maintenance or replacements contemplated hereunder or to enforce or in any way interfere with the administration by the Strata Corporation created upon the filing of a Strata Plan with respect to Lot A or Lot B, as the case may be, of the easements herein granted for the benefit of Lot B or Lot A, respectively.

9.00 Section 219 Covenant

- 9.01 Pursuant to Section 219 of the *Land Title Act*, each of the Owners covenants and agrees with the City as a covenant charging and running with and binding each of Lot A and Lot B respectively that:
- (a) Lot A and Lot B will not be used for any purpose that would detract from or interfere with the use of the Lot A or Lot B for the purposes provided in this Agreement;
 - (b) under no circumstances whatsoever will the easements in Sections 2.00 or 3.00 be suspended, interrupted or terminated by reason of any breach, default, trespass or other wrong, whether by commission or omission, on the part of the Lot A Owner or the Lot B Owner, or those claiming by, through or under either of them or for any reason whatsoever, and the Lot A Owner and the Lot B Owner will each refrain from seeking any judgment, order or declaration to that effect, except with the written consent of the City. Nothing contained herein shall prevent an Owner (or a Strata Corporation if such Parcel has been subdivided by a Strata Plan) from

applying to enjoin or restrain any wrongful action or from seeking damages therefor;

- (c) notwithstanding this Agreement, the easements, covenants and rights granted pursuant to the provisions of this Agreement shall not be modified, abandoned, surrendered or discharged without the prior written consent of the City;
- (d) notwithstanding anything to the contrary herein contained, the City is a party to this Agreement for the purposes only of receiving any rights granted to it in this Section 7.00 and, without limiting the generality of the foregoing, neither the City nor any of its elected officials, officers, servants, employees or agents (each herein called a "City Party" and collectively called the "City Parties") will be liable for anything done or failed to be done pursuant to or associated with any provision within this Agreement or anything contemplated thereby, whether or not such act or omission was accompanied by negligence on the part of the City or any City Party;
- (e) each Owner covenants and agrees with the City, on a joint and several basis, to release and indemnify and save harmless the City and each City Party, from all manner of actions, causes of action, claims, demands, suits, losses, expenses, judgments and costs (including legal fees and disbursements on an indemnity basis) arising out of or in any way related to, or that would not or could not be sustained "but for", any of the following:
 - (i) this Agreement including, but not limited to:
 - (A) the easements granted hereunder;
 - (B) the loss or abridgement of the easements granted hereunder; and
 - (C) the exercise of the easements granted hereunder;
 - (ii) any release of this Agreement or the loss of any of the rights granted hereunder;
 - (iii) the non-compliance of any Parcel with any City bylaw, notwithstanding this Agreement;
 - (iv) any breach by any Owner or those for whom they are, respectively, responsible in law, of their respective obligations contained in this Agreement;
 - (v) any personal injury, damage or death occurring in or the Lands; and
 - (vi) a claim made against the City or a City Party, notwithstanding Section 7.01(d) above; and
- (f) except as specifically set forth herein, it will Inspect, operate, Construct, Maintain, and Repair, as and when required, the Lands in accordance with the terms and conditions of this Agreement and to the extent necessary it will use these easements for those purposes.

9.02 Damages not an adequate remedy.

Each of the Owners agree that damages will not be an adequate remedy for the City for any breach by any Owner of its respective obligations under this Agreement and that the City is entitled to an order for specific performance or a prohibitory or mandatory injunction as a remedy for any such breach.

9.03 Payment of costs.

The Owners each agree that in any proceeding relating to this Agreement, the City is entitled to its costs on a solicitor and its own client basis.

9.04 Acknowledgement of each Owner.

Each Owner hereby acknowledges, agrees and declares that the provisions of this Section 9.00 are for the sole purpose of benefiting the City and, in particular, acknowledge, agree and declare that the provisions of this Section 9.00 are not designed to protect or promote the interests of any Owner, its Users or any future owner, occupier or user of any Parcel or any other person or corporation whatsoever, and the City may at its option execute an amendment to, or a release of, any of the provisions of this Section 9.00 or any part thereof at any time without liability to anyone for so doing. Each of the Owners acknowledges and agrees that it will pay in accordance with Section 5.00 its Proportionate Share of the Lot A Amenity Space Costs and in accordance with Section 6.00 its Proportionate Share of the Lot B Amenity Space Costs.

10.00 Damage and Destruction

10.01 Owner's obligation to rebuild if not Major Damage.

In the event that the Amenity Space in an Owner's Parcel or any part thereof shall at any time be defective or damaged (the "**Damaged Improvements**") such that the Other Owner's easements granted herein are diminished in a material way or are likely to be diminished in a material way, but the Damaged Improvements have not suffered Major Damage, then after receipt from the Other Owner of a written notice to Construct and Repair pursuant to this Section 10.00 (which notice refers to and contains a copy of this Section 10.00), the Owner of the Damaged Improvements shall, within a reasonable period of time following notice thereof from the Other Owner, Construct, Repair and make the Damaged Improvements fit for the purpose of such easements.

10.02 Owner's obligation to rebuild and Repair if Major Damage.

In the event that the Damaged Improvements in a Parcel are destroyed or damaged to such extent that Major Damage has occurred, the Owner of the Damaged Improvements shall rebuild or Repair the Damaged Improvements, subject to the receipt of insurance proceeds, or should insurance proceeds be insufficient, the agreement of the respective owners to contribute sufficient funds to complete the restoration and subject to the *Strata Property Act* to the extent applicable, and any requirements of the City. If the Owner of the Damaged Improvements is prevented from rebuilding or Repairing the Damaged Improvements because of the *Strata Property Act*, or requirements of the City, such Owner

shall demolish and completely remove the Damaged Improvements and debris from its Parcel and restore its Parcel to a neat and safe condition in a good and workmanlike manner, provided that such Owner shall take reasonable measures to ensure that the improvements constructed on the other Parcel will continue to be functional and safe notwithstanding such demolition and removal.

10.03 Delay in Rebuilding or Repairing.

Subject to Sections 10.01 and 10.02 above, in the event that the Repair or rebuilding of Damaged Improvements is not undertaken forthwith and proceeded with diligently and expeditiously, then the Owner of the Damaged Improvements shall forthwith take such reasonable action as is necessary to leave the any easement areas situate within its Parcel and the Damaged Improvements in a condition which is neat and tidy and does not in any way create a nuisance or a safety hazard.

10.04 Failure to Rebuild or Repair.

If the Owner of any Damaged Improvements fails to fulfill its obligations as set out in Sections 10.01, 10.02, and 10.03, and it has not referred the matter for resolution pursuant to Section 11.05, the Other Owner, upon giving the Owner of the Damaged Improvements not less than 15 days' notice in writing (except in the case of emergency when no notice shall be required), shall have the right to perform the failed obligations and shall be entitled to be reimbursed as provided herein.

10.05 Costs and Expenses.

The cost and expense of any work conducted by the Owner of Damaged Improvements under Sections 10.01, 10.02, and 10.03 hereof shall be included within the Lot A Amenity Costs or the Lot B Amenity Costs, as the case may be, and shared by the Owners in relation to their Proportionate Share as determined under this Agreement, after taking into account any net insurance proceeds received in connection with such loss or damage and subject to the provisions of Section 5.00 hereof or Section 6.00 hereof, as the case may be.

11.00 Miscellaneous

11.01 Runs with the Lands

Once Lot A and Lot B are subdivided, the easements herein granted will continue to run with and bind each subdivided parcel.

11.02 Cessation of Obligations

The covenants of each Owner contained herein will be personal and binding upon that Owner only during its ownership of Lot A or Lot B or any interest therein or in any parcel into which it may be subdivided, as the case may be, but the said lands will nevertheless remain at all times charged herewith to the intent that upon the transfer of any interest in any of Lot A or Lot B or any interest in any parcel into which same may be subdivided by an Owner, that Owner will be freed, released and discharged from the observance and

performance thereafter of the covenants on its part in respect of the lands and its part to be observed and performed.

11.03 Reasonableness

The Owners will, at all times, be reasonable in exercising their rights, forming their opinions and performing their duties hereunder.

11.04 Rights of Owner Preserved

Except as otherwise expressly provided for herein, nothing in this Agreement will be interpreted so as to restrict or prevent the owner of a servient tenement from using the easement areas granted by them hereunder in any manner which does not materially and adversely interfere with, injure or impair the exercise by the owner of the dominant tenement of such easement of its rights hereunder.

11.05 Arbitration

In the event of any dispute or disagreement arising out of this Agreement or the interpretation of any provision hereof other than with respect to Section 7.00 which will be resolved through judicial proceedings, or any failure to reach agreement on any matter herein including, without limitation, any cost sharing provision (other than a dispute with respect to determinations and allocations to be made under Section 5.00 which shall be resolved pursuant to Section 5.05, the parties hereto agree that such dispute or disagreement shall be submitted to and finally settled by a single arbitrator pursuant to the *Arbitration Act* (British Columbia) as same may be amended from time to time or any legislation substituted therefor, provided that it is understood and agreed that this Section 8.04 is not intended to nor is to be construed as preventing the parties hereto, or any of them, from seeking injunctive relief from the courts. If the Owners cannot agree to a single arbitrator, then such arbitrator shall be chosen by reference to a Judge of the Supreme Court of British Columbia. The Owners participating in such arbitration shall share equally in the costs of referring the choice of an arbitrator to a Judge of the Supreme Court of British Columbia, and the costs of the arbitration. Such arbitration shall include a requirement for the production and discovery of documents as required by the British Columbia Supreme Court Rules.

11.06 Waiver

Waiver by any party of any default hereunder by another party will not be deemed to be a waiver by the first-mentioned party of any subsequent default by the party that defaulted.

11.07 Notice

- (a) Any demand or notice which may be given to any of the parties hereto pursuant to this Agreement will be in writing and will be delivered, telecopied or electronically mailed or sent by postage prepaid mail and addressed, to the intended recipient. The time of receiving any such demand or notice will be deemed to be :

- (i) the day and time of delivery of transmittal (by telecopier or electronic mail), if delivered or sent by telecopier or electronic mail by 4:30 p.m. on a business day (excluding Saturdays Sundays and statutory holidays) to the place of the intended recipient;
 - (ii) by 8:00 a.m. the next business day following the date of such delivery or transmittal (excluding Saturdays Sundays and statutory holidays) if delivered or transmitted by telecopier or electronic mail) after 4:30 p.m. on a business day (excluding Saturdays, Sundays and statutory holidays to the place of the intended recipient;
- (b) On the fourth day (excluding Saturdays, Sundays and statutory holidays) after the date of mailing thereof if sent by postage prepaid mail. During any interruption of mail service in or between the place of intended mailing and the location of the intended recipient of a demand or notice, a demand or notice will not be effective if sent by mail until it is actually received by the intended recipient.

11.08 Governing Law

This Agreement will be governed and construed in accordance with the laws in force in the Province of British Columbia.

11.09 Further Assurances

The parties hereto shall do and cause to be done all things and execute and cause to be executed all documents that may be necessary to give proper effect to the intention of this Agreement.

11.10 Entire Agreement

This is the entire agreement between the parties concerning the subject matter of this Agreement.

11.11 Time Is Of Essence

Time will be of the essence of this Agreement.

11.12 Severability

Should any portion of this Agreement be declared or held to be invalid, illegal or unenforceable by a court having the jurisdiction to do so, then such portion will be deemed to have been severed from this Agreement and the invalidity or unenforceability thereof will not affect or render unenforceable or invalid any other provisions of this Agreement, and the rest of this Agreement shall remain in force unamended.

11.13 No Derogation

Nothing contained or implied herein will prejudice or affect the City's rights, powers, duties and obligations in the exercise of its functions pursuant to the *Community Charter* (British Columbia) or the *Local Government Act* (British Columbia) and the rights, powers,

duties and obligations of the City under all of its public and private statutes, bylaws and regulations, all of which may be as fully and effectively exercised in relation to the Parcels as if this Agreement had not been executed and delivered by the parties hereto.

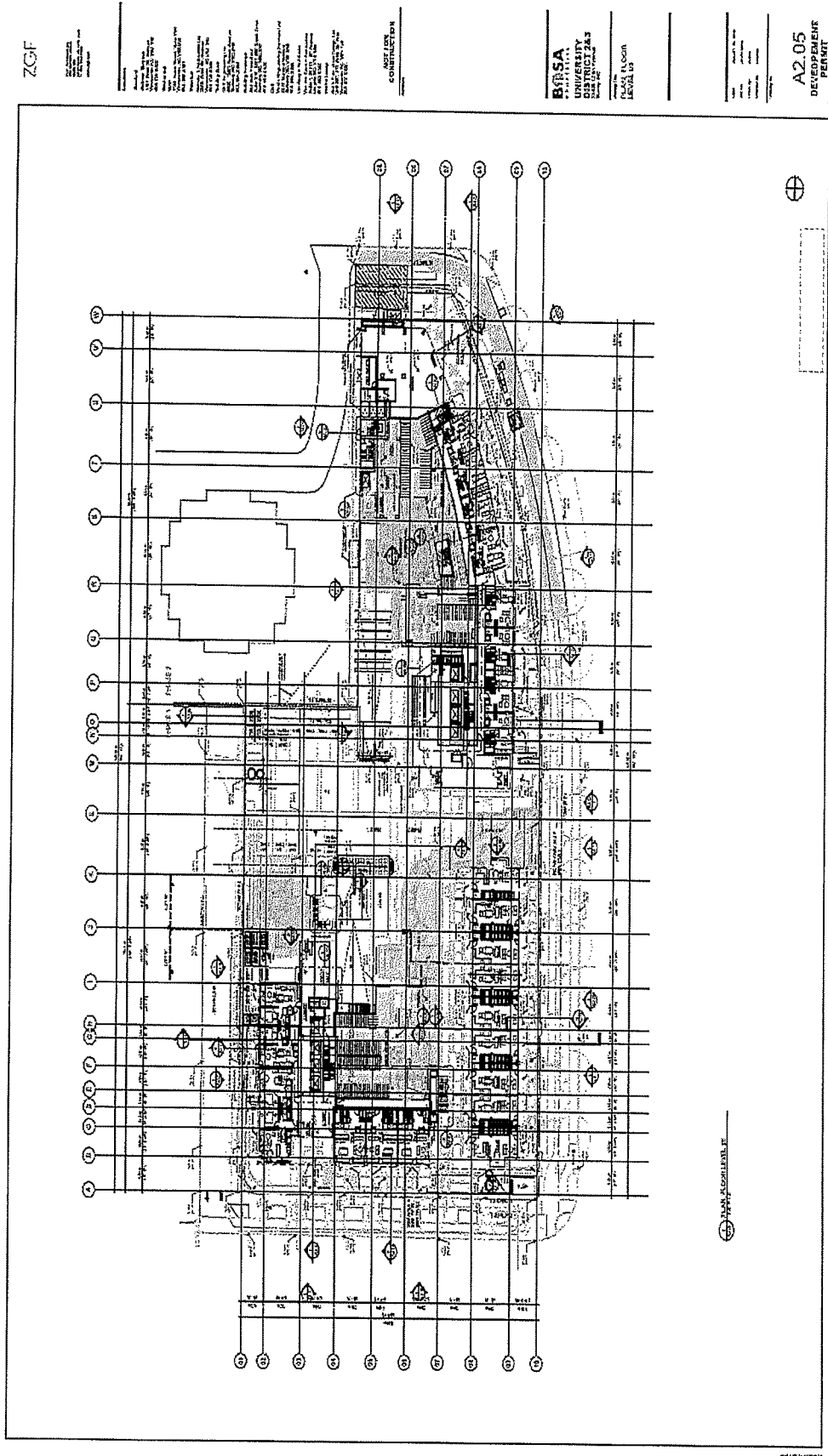
11.14 No Limitation

This Agreement does not:

- (a) affect or limit the discretion, rights or powers of the City under any enactment (as defined in the *Interpretation Act* (British Columbia) on the reference date of this Agreement) or at common law, including in relation to the use or subdivision of the Parcels;
- (b) affect or limit any enactment relating to the use or subdivision of the Parcels; or
- (c) relieve the Owners from complying with any enactment, including in relation to the use or subdivision of the Parcels.

IN WITNESS WHEREOF the parties have executed the Form C attached hereto and forming part hereof on the dates set out thereon.

SCHEDULE A
PROJECT PLANS



ZGF

PROJECT NO. 12190491416
 SHEET NO. A2.05
 DATE 12/19/09
 DRAWN BY [Name]
 CHECKED BY [Name]
 APPROVED BY [Name]
 PROJECT MANAGER [Name]
 ARCHITECT [Name]
 ENGINEER [Name]
 CONTRACTOR [Name]
 OWNER [Name]

NOT FOR CONSTRUCTION

BUSA
 UNIVERSITY
 DISTRICT 2&3
 BUILDING 100
 LEVEL 10

PROJECT NO. 12190491416
 SHEET NO. A2.05
 DATE 12/19/09
 DRAWN BY [Name]
 CHECKED BY [Name]
 APPROVED BY [Name]

A2.05
 DEVELOPMENT
 PERMIT

MANUFACTURED

ZGF

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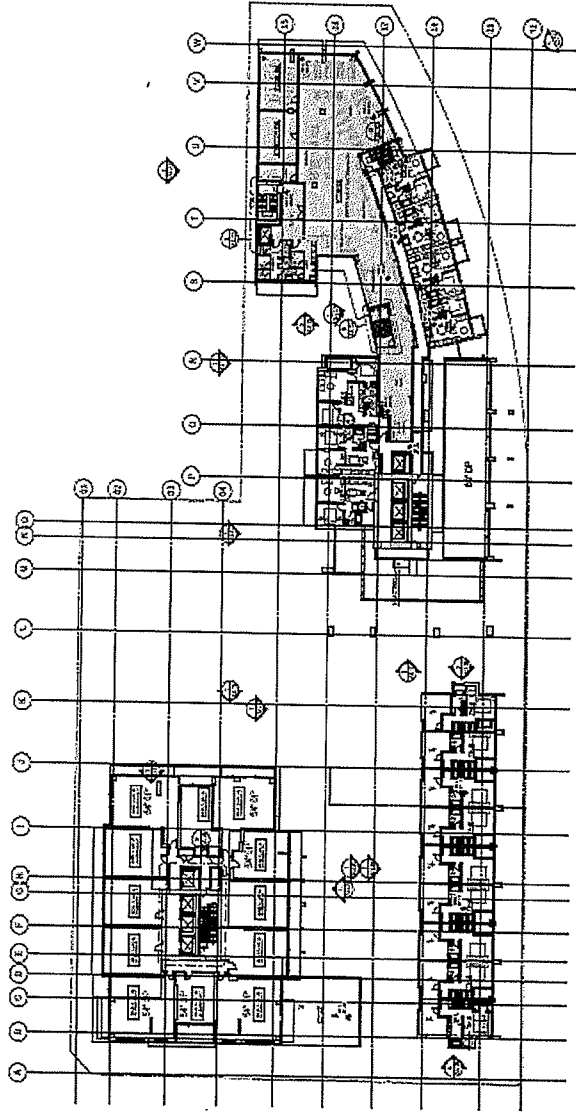
SECTION
CONTINUATION

Balsa
UNIVERSITY
DISTRICT 2A3

PLANNING
LEVEL 01

DATE: 04/12/23
DRAWN BY: [Name]
CHECKED BY: [Name]
APPROVED BY: [Name]

A2.07
DEVELOPMENT
PERMIT



MAIN FLOOR LEVEL 01



ZGF

2024.08.01
2024.08.01
2024.08.01

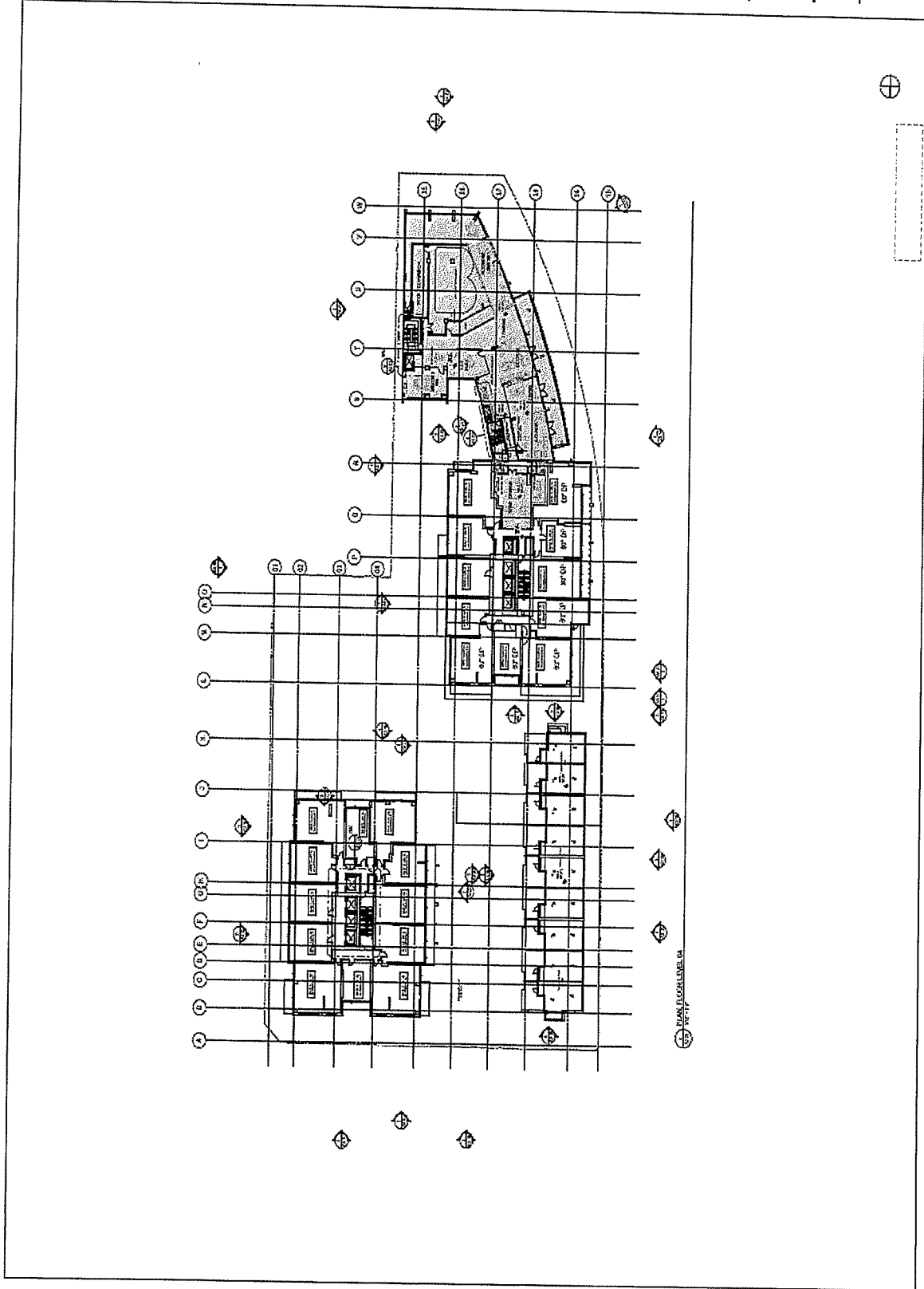
PROJECT: UNIVERSITY DISTRICT 2&3
 LOCATION: 1000 UNIVERSITY AVENUE, SUITE 1000, BERKELEY, CA 94702
 DRAWING NO: 24-0001-001
 SHEET NO: 100-100-001
 DATE: 08/01/2024
 DESIGNER: ZGF
 CHECKER: [Name]
 APPROVER: [Name]
 CLIENT: UNIVERSITY DISTRICT 2&3
 PROJECT NO: 24-0001-001
 SHEET NO: 100-100-001
 DATE: 08/01/2024

NOTION CONSTRUCTION

BUSA
 UNIVERSITY DISTRICT 2&3
 PLANS FLOOR LEVEL 1A

SCALE: AS SHOWN
 DATE: 08/01/2024
 DRAWN BY: [Name]
 CHECKED BY: [Name]

A2.08
 DEVELOPMENT PERMIT



ZGF

ARCHITECT

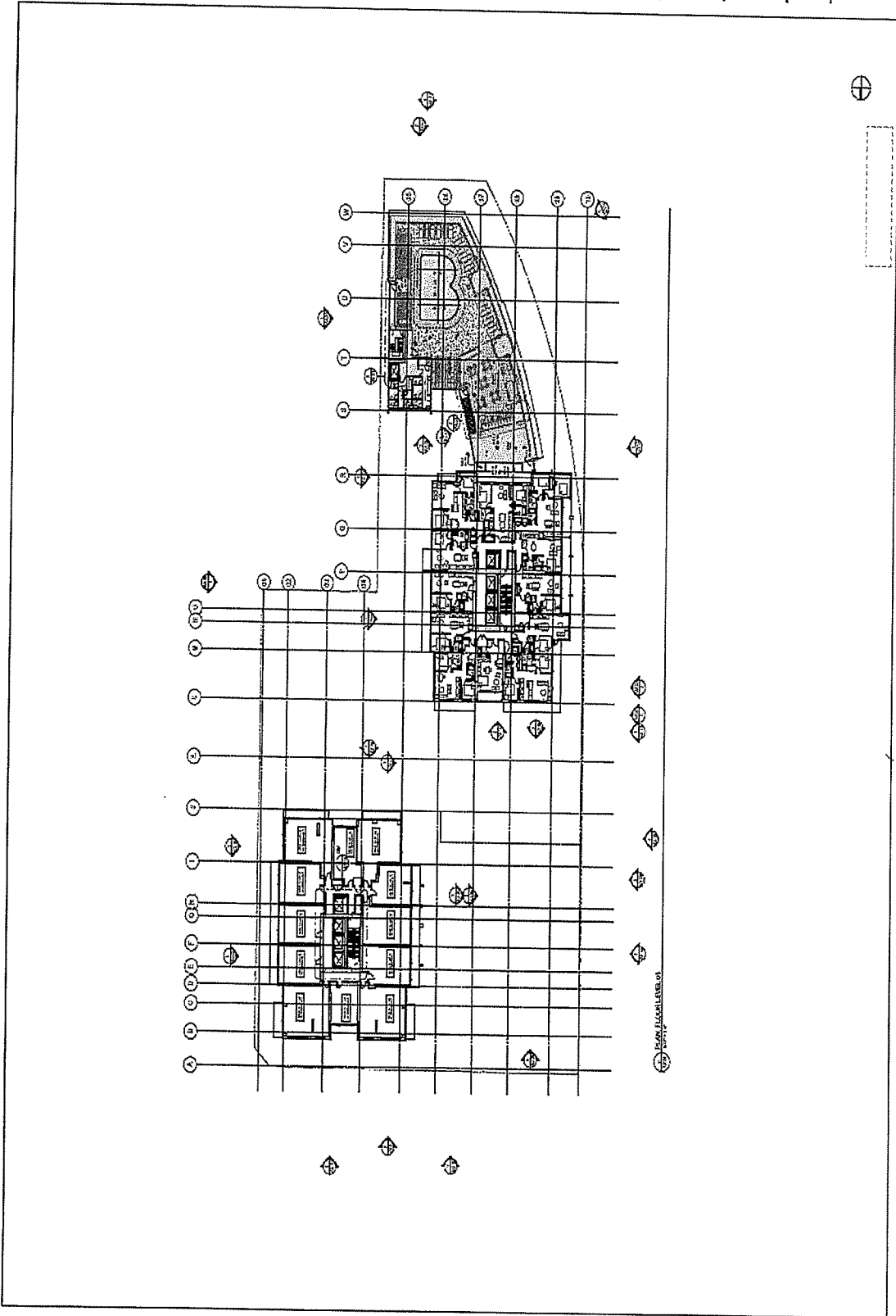
PROJECT: UNIVERSITY DISTRICT 2&3
 LOCATION: UNIVERSITY DISTRICT 2&3
 DATE: 11/11/11
 DRAWING NO.: 111111
 SHEET NO.: 111111
 SCALE: 1/8" = 1'-0"
 PROJECT MANAGER: [Name]
 ARCHITECT: [Name]
 ENGINEER: [Name]
 CONTRACTOR: [Name]
 PERMIT NO.: [Number]
 SHEET NO.: [Number]

NOT FOR CONSTRUCTION

BOSA
 UNIVERSITY DISTRICT 2&3
 PROJECT NO. 111111

MAIN ROOM
 SHEET 11

A2.09
 DECKMENT PERMIT



CONSENT AND PRIORITY 1

WHEREAS BlueSky Properties (UD Lands) Inc. has entered into the attached Agreement (the “**Covenant and Easements**”) to which the City of Surrey is a party and under which BlueSky Properties (UD Lands) Inc. has granted certain rights, licenses and easements with respect to the lands therein and herein described as “Lot A” and “Lot B”;

AND WHEREAS Surrey City Development Corporation (the “**SCDC Chargeholder**”) is the holder of the following charges or interests encumbering Lot A and/or Lot B, all of which have been registered in the Land Title Office under the numbers respectively indicated:

Mortgage CA2326575 (called the “**SCDC Chargeholder Security**”);

NOW THEREFORE THIS INDENTURE WITNESSES that:

1. The SCDC Chargeholder hereby consents to the registration of the Covenant and Easements and the rights, licenses and easements granted thereby.
2. The SCDC Chargeholder hereby covenants and agrees that the Covenant and Easements and the rights, licenses, easements, covenants and charges granted by the Covenant and Easements shall be binding upon its interests in and charges upon Lot A and Lot B under the SCDC Chargeholder Security, and that the Covenant and Easements and each of the rights, licenses, easements, covenants and charges granted thereby shall be an encumbrance upon Lot A and Lot B ranking in priority to each of the SCDC Chargeholder Security charges in the same manner and to the same effect as if the Covenant and Easements had been dated, executed and registered prior to the SCDC Chargeholder Security and prior to the advance of any monies pursuant to the SCDC Chargeholder Security.
3. This Indenture shall be binding on the successors and assigns of the SCDC Chargeholder.

IN WITNESS WHEREOF the SCDC Chargeholder has executed this priority agreement by causing its proper officers to sign the General Instrument.

CONSENT AND PRIORITY 2

WHEREAS BlueSky Properties (UD Lands) Inc. has entered into the attached Agreement (the “**Covenant and Easements**”) to which the City of Surrey is a party and under which BlueSky Properties (UD Lands) Inc. has granted certain rights, licenses and easements with respect to the lands therein and herein described as “Lot A” and “Lot B”;

AND WHEREAS HSBC Bank Canada (the “**HSBC Chargeholder**”) is the holder of the following charges or interests encumbering Lot A and/or Lot B, all of which have been registered in the Land Title Office under the numbers respectively indicated:

Mortgage CA2404302, Assignment of Rents CA2404303, Mortgage CA2977741 and Assignment of Rents CA2977742 (called the “**HSBC Chargeholder Security**”);

NOW THEREFORE THIS INDENTURE WITNESSES that:

1. The HSBC Chargeholder hereby consents to the registration of the Covenant and Easements and the rights, licenses and easements granted thereby.
2. The HSBC Chargeholder hereby covenants and agrees that the Covenant and Easements and the rights, licenses, easements, covenants and charges granted by the Covenant and Easements shall be binding upon its interests in and charges upon Lot A and Lot B under the HSBC Chargeholder Security, and that the Covenant and Easements and each of the rights, licenses, easements, covenants and charges granted thereby shall be an encumbrance upon Lot A and Lot B ranking in priority to each of the HSBC Chargeholder Security charges in the same manner and to the same effect as if the Covenant and Easements had been dated, executed and registered prior to the HSBC Chargeholder Security and prior to the advance of any monies pursuant to the HSBC Chargeholder Security.
3. This Indenture shall be binding on the successors and assigns of the HSBC Chargeholder.

IN WITNESS WHEREOF the HSBC Chargeholder has executed this priority agreement by causing its proper officers to sign the General Instrument.

EXHIBIT "R"

DRAFT PARKING STALLS EASEMENT

(See Next Page)

TERMS OF INSTRUMENT - PART 2

**EASEMENT AGREEMENT
(PARKING STALLS)**

THIS AGREEMENT made this _____, 20__,

BETWEEN:

BLUESKY PROPERTIES (UD LANDS) INC. (Incorporation No. BC0914328), having an office at 1201 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6

(the “**Grantor**”)

AND:

BLUESKY PROPERTIES (UD LANDS) INC. (Incorporation No. BC0914328), having an office at 1201 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6

(the “**Grantee**”)

WHEREAS:

- A. The Grantor is the registered owner of certain lands and premises located in Vancouver, B.C. and legally described as follows:

Parcel Identifier: NPA
Lot B Section 22 Block 5 North Range 2 West New Westminster District Plan EPP79101

(the “**Servient Lands**”);

- B. The Grantor intends to construct a development (the “**Grantor’s Development**”) on the Servient Lands which will include an underground parking facility (the “**Parking Facility**”) and related improvements;

- C. The Grantee is the registered owner of certain lands and premises located in Vancouver, B.C. and legally described as follows:

Parcel Identifier: NPA
Lot A Section 22 Block 5 North Range 2 West New Westminster District Plan EPP79101

(the “**Dominant Lands**”);

- D. The Grantee intends to construct a development (the “**Grantee’s Development**”) on the Dominant Lands; and

- E. The Grantor has agreed to grant to the Grantee an easement over the Servient Lands in accordance with the terms and conditions contained herein.

NOW THEREFORE in consideration of the premises and the covenants and conditions contained herein, the sum of ONE DOLLAR (\$1.00) now paid by the Grantee to the Grantor and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Grantor, each of the parties covenant and agree as follows:

1. GRANT OF EASEMENT

- 1.1 Subject to the terms and conditions contained in this Agreement, the Grantor hereby grants, transfers and conveys unto the Grantee, for the benefit of and to be appurtenant to the Dominant Lands, the full, free and uninterrupted right, license, liberty, privilege, easement and right of way over the Servient Lands for the Grantee, its successors and assigns and its and their respective occupants, tenants, licensees, guests and invitees, at all times hereafter, by day and by night, to enter upon, go across, pass and repass over, within, upon and along the Servient Lands, at their will and pleasure, with or without vehicles, for the purposes of:
- (a) access to and egress from ▼ underground parking stalls (the “**Grantee’s Parking Stalls**”) located on the Servient Lands as determined by the Grantor and the Grantee, each acting reasonably;
 - (b) parking vehicles in the Parking Stalls; and
 - (c) doing all acts which in the reasonable opinion of the Grantee are necessary or incidental to the foregoing.
- 1.2 The Grantee, in exercising the easement granted in Section 1.1, will use only those portions of the Servient Lands to which it is reasonable to have access for the purposes of such easement.

2. EASEMENT PLAN

- 2.1 The parties acknowledge and agree that the easement granted in Section 1.1 will be a charge against the whole of the Servient Lands. Once the Grantor has substantially completed the Parking Facility on the Servient Lands, and upon the written request of one party hereto to the other, the right, liberty, easement, privilege and permission hereby granted will thereupon and thereafter be confined and restricted to those portions of the Parking Facility (which will thereafter be referred to as the “**Parking Facility Easement Area**”) which will be precisely determined by a survey to be made by a British Columbia Land Surveyor at the sole cost of the Grantee and shown on a registrable plan of easement (the “**Easement Plan**”), which will be deposited in the Land Title Office together with such modification or partial discharge of this Agreement as may be required to confirm that the Parking Facility Easement Area is limited to the area shown on the Easement Plan and that thereafter all references to the Parking Facility Easement Area will be to the area shown on the Easement Plan. Each of the Grantor and the Grantee agrees to accept the accuracy of the Easement Plan, and will, at the sole cost of the Grantor, do, execute and deliver all further assurances, acts and documents, including any partial discharge or amendment of this Agreement, in registrable form, for the purpose of evidencing and giving full force and effect to the foregoing.
- 2.2 The location of the Parking Facility Easement Area will be determined by the Grantor and the Grantee, each acting reasonably, as soon as reasonably possible during the construction of the Grantor’s Development in accordance with the drawing attached hereto as Schedule A and the following parameters:

- (a) the Grantee's Parking Stalls will be located on a level of the Parking Facility determined by the Grantor and the Grantee, each acting reasonably;
- (b) pedestrian access to and egress from the Grantee's Parking Stalls will be through [an elevator] located in the Grantor's Development in close proximity to the Grantee's Parking Stalls which elevator will provide access to and egress from a grade level entrance to the Grantor's Development;
- (c) a stairwell which provides access to and egress from a grade level entrance to the Grantor's Development will be located within the area comprising the Grantee's Parking Stalls; and
- (d) vehicular access to and egress from the Grantee's Parking Stalls will be through the main parking access to the Parking Facility and over certain drive aisles in the Parking Facility.

3. MAINTENANCE, OPERATION AND REPAIR OBLIGATIONS AND PAYMENTS

3.1 Once the Grantor has constructed the Grantor's Development and the Grantee commences to exercise its rights under this Agreement and use the easement herein granted in respect of the Grantee's Parking Stalls, the Grantor will maintain, operate and repair the Parking Facility Easement Area as would a prudent owner. In the event that the Grantor fails to so maintain, operate and repair the Parking Facility Easement Area, the Grantee may, but will not be obliged to, do so at the cost of the Grantor and in such event the Grantor will pay to the Grantee, forthwith upon demand, all reasonable costs incurred in such maintenance, operation and repair.

3.2 For the purposes of this Section 3.2, the "**Grantee's Proportionate Share**" means the fraction having as its numerator the number of Grantee's Parking Stalls and as its denominator the total number of parking stalls in the Parking Facility. Once the Grantor has constructed the Grantor's Development and the Grantee commences to exercise its rights under this Agreement and use the easement herein granted in respect of the Grantee's Parking Stalls, the Grantee will pay to the Grantor the Grantee's Proportionate Share of the reasonable costs incurred from time to time in maintaining, operating and repairing the Parking Facility, as reasonably determined by the Grantor, within 30 days of receipt of an invoice for the same. Upon request by the Grantee, the Grantor will provide a detailed summary of the costs incurred by the Grantor for which it is seeking reimbursement. If the Grantee reasonably objects in writing to any costs incurred from time to time in maintaining, operating and repairing the Parking Facility and the parties fail to agree, the matter will immediately be submitted to arbitration as provided in Section 8.1 and the Grantee will not be obligated to pay its contribution of such disputed costs to the Grantor unless determined to be so obligated by the arbitrator.

4. COVENANTS OF THE GRANTOR

4.1 The Grantor covenants and agrees that it will:

- (a) proceed diligently to construct the Grantor's Development in a timely and commercially reasonable manner;
- (b) not do or permit to be done any act or thing which may, in the reasonable opinion of the Grantee, interfere with or obstruct access to the Parking Facility Easement Area, whichever is applicable, for the purposes contained in this Agreement or interfere with or cause any damage to the Parking Facility Easement Area, whichever is applicable; and

- (c) subject to the terms and conditions contained in this Agreement, permit the Grantee to peaceably hold and enjoy the rights hereby granted for the period during which the Grantee accepts the grant of easement but not beyond the day, if ever, on which the Grantee provides the Grantor with a discharge of the easement herein granted.

5. COVENANTS OF THE GRANTEE

- 5.1 The Grantee covenants and agrees that it will insofar as it is practical so to do, exercise its rights under this Agreement in such a manner as not to interfere unreasonably with the use of the Servient Lands; and

6. DEFAULT

- 6.1 In the event that any party hereto (the “**Defaulting Owner**”) does not fulfil any of its obligations under this Agreement or is in breach of any of its covenants herein, the other party (the “**Non-Defaulting Owner**”), will have the right, but not be obligated, to perform such obligations and covenants in the place of the Defaulting Owner and make reasonable and necessary expenditures therefor, and the Defaulting Owner hereby indemnifies the Non-Defaulting Owner for the costs so incurred. Prior to exercising such rights, the Non-Defaulting Owner will give not less than 20 days’ prior written notice to the Defaulting Owner, except in the case of emergency, where the Non-Defaulting Owner will only be required to give such notice as is reasonable in the circumstances having regard to the nature of the emergency.

7. SUBDIVISION

- 7.1 The easement granted in Section 1.1 and the other covenants and agreements herein of the Grantor will be construed as running with the Servient Lands and as appurtenant to the Dominant Lands.
- 7.2 Subject to Section 7.5, if the Dominant Lands are subdivided either wholly or in part at any time either under the provisions of the *Land Title Act* (British Columbia) or the *Strata Property Act* (British Columbia), as amended from time to time, on the deposit of a plan of subdivision, strata plan or similar plan, as the case may be, the benefit of the easement granted in Section 1.1 and the other covenants and agreements herein will be annexed to and run with each of the new parcels, lots or other subdivided parcels and areas.
- 7.3 If the Servient Lands are subdivided either wholly or in part at any time either under the provisions of the *Land Title Act* (British Columbia) or the *Strata Property Act* (British Columbia), as amended from time to time, on the deposit of a plan of subdivision, strata plan or similar plan, as the case may be, the burden of the easement granted in Section 1.1 and the other covenants and agreements herein will continue to charge each of the new parcels, lots or other subdivided parcels and areas so created. Notwithstanding the foregoing, upon the registration of the Easement Plan, the burden of the easement granted in Section 1.1 and the other covenants and agreements herein will bind only the new parcels, lots or other subdivided parcels and areas upon which the Parking Facility Easement Area is located.
- 7.4 In the event the Dominant Lands or the Servient Lands are subdivided by the deposit of a strata plan in accordance with the *Strata Property Act* (British Columbia), as amended from time to time, then:
 - (a) the benefit and burden of the easement granted in Section 1.1 and the other covenants and agreements herein will be automatically accepted on behalf of the owners of the strata lots by the strata corporation created thereby, without the need of further documentation, and will be administered, enforced, modified or released by the strata corporation only and, in particular,

without limiting the generality of the foregoing, the strata corporation will make all payments required to be made under this Agreement and will receive all payments to be paid under this Agreement;

- (b) the owners of the strata lots will not attempt to enforce or in any way interfere with the administration by the strata corporation of the easement granted in Section 1.1;
- (c) the personal liability under this Agreement of each owner of a strata lot that enjoys the benefit of the Grantee's Parking Stalls, whichever is applicable, will be limited to the unit entitlement of the respective strata lot in the common property of the strata plan; and
- (d) any agreement to modify this Agreement or to modify the easement granted in Section 1.1 will require a special resolution of the strata corporation.

7.5 For greater certainty, the Grantee intends to license its interest in and to the Grantee's Parking Stalls, whichever is applicable, to certain purchasers of the strata lots which will be created upon the deposit of a strata plan in respect of the Grantee's Development. Accordingly, certain purchasers of the strata lots which will be created upon the deposit of a strata plan in respect of the Grantee's Development will be entitled to exercise the Grantee's rights under this Agreement and use the easement herein granted in respect of the Grantee's Parking Stalls, whichever is applicable. This Agreement will be discharged from titles to those strata lots which do not have the benefit of such license. For greater certainty, the Grantor will execute and deliver (in registerable form where required), at the request of the Grantee, all such further documents and do or cause to be done such further acts and things and give all such further assurances that may be necessary or desirable to facilitate the partial discharge as contemplated in this Section 7.5.

8. ARBITRATION

8.1 If the Grantor and the Grantee are at any time, or from time to time, unable to agree on any matter whatsoever with regard to or arising from this Agreement within what either the Grantor or the Grantee considers to be a reasonable time, then either may deliver to the other notice that the matter is to be referred to a single arbitrator in accordance with the provisions of the *Arbitration Act* (British Columbia), as amended from time to time, and the cost of arbitration will be shared equally by the parties. The arbitrator's decision with respect to any matter in dispute will be final and binding on the parties.

9. MISCELLANEOUS

9.1 The parties agree that a condition of the sale of either the Servient Lands or the Dominant Lands, as the case may be from time to time, will be that the purchaser or purchasers thereof will covenant in writing to be bound by and observe and perform each and every term, covenant and condition of this Agreement applicable to the Grantor or the Grantee, as the case may be.

9.2 Subject to Section 9.1, none of the covenants herein contained will be personal and binding on the Grantor and the Grantee except during their ownership of the Servient Lands and the Dominant Lands, respectively, and each such owner will be liable only for any breaches of such covenants that occur during their respective periods of such ownership.

9.3 The parties will at all times be reasonable in exercising their rights, forming their opinions and performing their duties and obligations under this Agreement.

- 9.4 Waiver of any default by either party will not be deemed to be a waiver of any subsequent default by that party.
- 9.5 Whenever it is required or desired that a party serve a notice on the other party, service will be deemed to be satisfactory and to have occurred:
- (a) on the date of service, if that party has been personally served; or
 - (b) on the date received or on the third business day after mailing in any Canadian post office, whichever is the earlier, if mailed by prepaid registered mail, so long as the notice is mailed to the party at the most recent address shown for that party in the records of the Land Title Office or to whatever address any party from time to time in writing notifies the other party.
- 9.6 Whenever the singular or masculine is used in this Agreement, the same is deemed to include the plural or the feminine or the body politic or corporate as the context so requires.
- 9.7 The word “including”, when following any general statement, will be construed to refer to all other things that could reasonably fall within the scope of such general statement, whether or not non-limiting language (such as “without limitation” or “without limiting the generality of the foregoing”) is used with reference thereto.
- 9.8 Each party will from time to time execute and deliver (in registerable form where required), at the request of the other, all such further documents and do or cause to be done such further acts and things and give all such further assurances that may be necessary or desirable to facilitate the granting of the easement contained herein or the partial discharge of the same as contemplated in Section 2.1.
- 9.9 This Agreement will enure to the benefit of the Grantee and its respective successors and assigns and will be binding upon the Grantee and the Grantor and their respective successors and assigns notwithstanding any rule of law or equity to the contrary.
- 9.10 This Agreement will be governed by and construed in accordance with the laws in force from time to time in the Province of British Columbia.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written on the Form C and Form D instruments above which are a part hereof.

SCHEDULE A

DRAWING OF PARKING FACILITY*

*The drawing will be prepared at a later date following the filing of the Disclosure Statement

END OF DOCUMENT

EXHIBIT "S"

DRAFT PARKING ACCESS EASEMENT

(See Next Page)

**LAND TITLE ACT
FORM C (Section 233) CHARGE
GENERAL INSTRUMENT - PART 1 Province of British Columbia**

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.

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

NORTON ROSE FULBRIGHT CANADA LLP

Barristers and Solicitors

1800 - 510 West Georgia Street

Vancouver

BC V6B 0M3

Tel: 604.687.6575

File No.: 18-2307

Document No.: Form C 122420322 / Terms 122397428

Access Driveway Easement

Deduct LTSA Fees? Yes

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:

[PID]

[LEGAL DESCRIPTION]

NO PID NMBR LOT B SECTION 22 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER DISTRICT PLAN EPP79101

STC? YES

Related Plan Number: **EPP79101**

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))

SEE SCHEDULE

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)

Execution Date

Y	M	D
18		

Transferor(s) Signature(s)

BLUESKY PROPERTIES (UD LANDS) INC. by its authorized signatory(ies):

Name: _____

Name: _____

OFFICER CERTIFICATION:

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

LAND TITLE ACT
FORM D

EXECUTIONS CONTINUED

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

Y	M	D
18		

BLUESKY PROPERTIES (UD LANDS)
INC. by its authorized signatory(ies) (as
Transferee):

Name:

Name:

OFFICER CERTIFICATION:

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

LAND TITLE ACT
FORM D
EXECUTIONS CONTINUED

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

Y	M	D
18		

CITY OF SURREY by its authorized signatories:

Commissioner for Taking Affidavits in British Columbia

(as to the signature of the City Clerk)
13450 - 104 Avenue
Surrey, BC V3T 1V8

General Manager, Planning and Development by his authorized designate Ron Gill, Manager, Area Planning & Development - North Division

Jane Sullivan, City Clerk

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

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

Y	M	D
18		

SURREY CITY DEVELOPMENT CORPORATION by its authorized signatory(ies):

Name:

Name:

OFFICER CERTIFICATION:

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

LAND TITLE ACT
FORM D
EXECUTIONS CONTINUED

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

Y	M	D
18		

HSBC BANK CANADA by its
authorized signatory(ies):

Name:

Name:

OFFICER CERTIFICATION:

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

**LAND TITLE ACT
FORM E**

SCHEDULE

PAGE 6 OF 17 PAGES

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Easement		Section 1 Dominant Lands: Registered Owner of Parcel Identifier: NPA, Lot A Section 22 Block 5 North Range 2 West New Westminster District Plan EPP79101

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Priority Agreement		granting the Easement with one registration number less priority over Mortgage CA2326575, Mortgage CA2404302, Assignment of Rents CA2404303, Mortgage CA2977741 and Assignment of Rents CA2977742

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Covenant		Section 8 Person entitled to interest: City of Surrey, as Transferee

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Priority Agreement		granting the Covenant with one registration number less priority over Mortgage CA2326575, Mortgage CA2404302, Assignment of Rents CA2404303, Mortgage CA2977741 and Assignment of Rents CA2977742

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
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NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
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**LAND TITLE ACT
FORM E****SCHEDULE**

PAGE 7 OF 17 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.

5. TRANSFEROR(S):

BLUESKY PROPERTIES (UD LANDS) INC. (Inc. No. BC0914328)
SURREY CITY DEVELOPMENT CORPORATION (Inc. No. BC0789162) (As to Priority)
HSBC BANK CANADA (As to Priority)

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

BLUESKY PROPERTIES (UD LANDS) INC. (Inc. No. BC0914328) of 1201 - 838 West Hastings Street,
Vancouver, British Columbia, V6C 0A6 (as to the Easement)

CITY OF SURREY of 13450 - 104 Avenue, Surrey, British Columbia, V3T 1V8 (as to the Covenant)

TERMS OF INSTRUMENT - PART 2

EASEMENT AGREEMENT

THIS AGREEMENT dated for reference September 25, 2018.

AMONG:

BLUESKY PROPERTIES (UD LANDS) INC. (Incorporation No. BC0914328), having an office at 1201 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6

(the “**Grantor**”)

AND:

BLUESKY PROPERTIES (UD LANDS) INC. (Incorporation No. BC0914328), having an office at 1201 – 838 West Hastings Street, Vancouver, B.C. V6C 0A6

(the “**Grantee**”)

AND:

CITY OF SURREY, 13450 - 104 Avenue, Surrey, British Columbia, V3T 1V8

(the “**City**”)

WHEREAS:

- A. The Grantor is the registered owner in fee simple of the lands and premises situate in the City of Surrey, in the Province of British Columbia, and legally described as follows:

Parcel Identifier: NPA
Lot B Section 22 Block 5 North Range 2 West New Westminster District Plan EPP79101

(the “**Servient Lands**”);

- B. The Grantee is the registered owner in fee simple of all and singular those certain parcels or tracts of land and premises situate in the City of Surrey, in the Province of British Columbia, and legally described as follows:

Parcel Identifier: NPA
Lot A Section 22 Block 5 North Range 2 West New Westminster District Plan EPP79101

(the “**Dominant Lands**”);

- C. BlueSky Properties (UD Lands) Inc. intends to construct a residential strata development (the “**Development**”) on the Dominant Lands and the Servient Lands which will include an underground parking facility (the “**Parking Facility**”) and related improvements on the Dominant Lands and a driveway, vehicular ramp and related improvements (collectively, the “**Access Driveway**”) on a portion of the Servient Lands for the purposes of providing vehicular access to and egress from the Parking Facility;
- D. The Grantor has agreed to grant to the Grantee an easement over the Servient Lands in accordance with the terms and conditions contained herein;
- E. Pursuant to Section 18(5) of the *Property Law Act* (British Columbia), a registered owner in fee simple may grant itself an easement over land that it owns for the benefit of other land that it owns in fee simple; and
- F. Section 219 of the *Land Title Act* states that a covenant in favour of a municipality may be registered as a charge against the title to land and is enforceable against the covenantor and its successors in title even if the covenant is not annexed to land owned by the municipality.

NOW THEREFORE in consideration of the premises and the covenants and conditions contained herein, the sum of ONE DOLLAR (\$1.00) now paid by the Grantee to the Grantor and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Grantor, each of the parties covenant and agree as follows:

1. GRANT OF EASEMENT

1.1 Subject to the terms and conditions contained in this Agreement, the Grantor hereby grants, transfers and conveys unto the Grantee, for the benefit of and to be appurtenant to the Dominant Lands, the full, free and uninterrupted right, license, liberty, privilege, easement and right of way over the Servient Lands for the Grantee, its successors and assigns and its and their respective occupants, tenants, licensees, guests and invitees, at all times hereafter, by day and by night, to enter upon, go across, pass and repass over, within, upon and along the Servient Lands, at their will and pleasure, with or without automobiles, motorcycles and other vehicles, for the purposes of:

- (a) access to and egress from the Parking Facility; and
- (b) doing all acts which in the reasonable opinion of the Grantee are necessary or incidental to the foregoing.

1.2 The Grantee, in exercising the easement granted in Section 1.1, will use only those portions of the Servient Lands to which it is reasonable to have access for the purposes of such easement.

2. EASEMENT PLAN

2.1 The parties acknowledge and agree that the easement granted in Section 1.1 will be a charge against the whole of the Servient Lands. Once the Grantor has substantially completed the Access Driveway on the Servient Lands, and upon the written request of one party hereto to the other, the right, liberty, easement, privilege and permission hereby granted will thereupon and thereafter be confined and restricted to those portions of the Servient Lands (which will thereafter be referred to as the “**Easement Area**”) containing the Access Driveway as will be precisely determined by one or more surveys to be made by a British Columbia Land Surveyor at the sole cost of the Grantor and shown on one or more registrable plans of easement

(collectively, the “**Easement Plan**”), which will be deposited in the Land Title Office together with such modification or partial discharge of this Agreement as may be required to confirm that the Easement Area is limited to the area shown on the Easement Plan and that thereafter all references to the Easement Area will be to the area shown on the Easement Plan. Each of the Grantor and the Grantee agrees to accept the accuracy of the Easement Plan, and will, at the sole cost of the Grantor, do, execute and deliver all further assurances, acts and documents, including any partial discharge or amendment of this Agreement, in registrable form, for the purpose of evidencing and giving full force and effect to the foregoing.

3. MAINTENANCE, OPERATION AND REPAIR OBLIGATIONS AND PAYMENTS

3.1 For the purposes of this Section 3, the “**Grantee’s Proportionate Share**” means 100%, unless and until the Servient Lands are subdivided by the deposit in the Land Title Office of a strata plan in respect thereof, following which the Grantee’s Proportionate Share shall mean:

- (a) the percentage derived from the following ratio: Total Unit Entitlement of all strata lots in the strata plan subdividing the Servient Lands ÷ (Total Unit Entitlement of all strata lots in the strata plan subdividing the Servient Lands + Total Unit Entitlement of all strata lots in the strata plan subdividing the Dominant Lands); or
- (b) such other percentage as the respective owner(s) of the Dominant Lands and the Servient Lands, each acting in their sole discretion, may determine from time to time.

3.2 Once the Access Driveway has been constructed and the Grantee commences to exercise its rights under this Agreement and use the easement herein granted in respect of the Easement Area, the Grantor will maintain, operate and repair the Easement Area as would a prudent owner. In the event that the Grantor fails to so maintain, operate and repair the Easement Area, the Grantee may, but will not be obliged to, do so at the cost of the Grantor and in such event the Grantor will pay to the Grantee, forthwith upon demand, all reasonable costs incurred in such maintenance, operation and repair.

3.3 Once the Access Driveway has been constructed and the Grantee commences to exercise its rights under this Agreement and use the easement herein granted in respect of the Easement Area, the Grantee will pay to the Grantor the Grantee’s Proportionate Share of the reasonable costs incurred from time to time in maintaining, operating and repairing the Easement Area, as reasonably determined by the Grantor, within 30 days of receipt of an invoice for the same. Upon request by the Grantee, the Grantor will provide a detailed summary of the costs incurred by the Grantor for which it is seeking reimbursement. If the Grantee reasonably objects in writing to any costs incurred from time to time in maintaining, operating and repairing the Easement Area and the parties fail to agree, the matter will immediately be submitted to arbitration as provided in Section 9.1 and the Grantee will not be obligated to pay its contribution of such disputed costs to the Grantor unless determined to be so obligated by the arbitrator.

4. COVENANTS OF THE GRANTOR

4.1 The Grantor covenants and agrees that it will:

- (a) once the Access Driveway has been constructed, not do or permit to be done any act or thing which may, in the reasonable opinion of the Grantee, interfere with or obstruct access to the Easement Area, whichever is applicable, for the purposes contained in this Agreement or interfere

with or cause any damage to the Easement Area, whichever is applicable; and

- (b) subject to the terms and conditions contained in this Agreement, permit the Grantee to peaceably hold and enjoy the rights hereby granted for the period during which the Grantee accepts the grant of easement but not beyond the day, if ever, on which the Grantee provides the Grantor with a discharge of the easement herein granted.

5. COVENANTS OF THE GRANTEE

5.1 The Grantee covenants and agrees that it will:

- (a) insofar as it is practical so to do, exercise its rights under this Agreement in such a manner as not to interfere unreasonably with the use of the Servient Lands; and
- (b) indemnify and save harmless the Grantor in respect of any action, cause of action, suit, damage, loss, cost, claim and demand of any nature whatsoever arising out of the exercise by the Grantee or any other person permitted under this Agreement of any of the rights granted under this Agreement by reason of or with respect to any injury to person, including death, resulting at any time hereafter and any damage to or loss of property suffered by the Grantor or others, except to the extent of negligence or wilful misconduct of the Grantor or persons for whose conduct the Grantor is responsible.

6. DEFAULT

6.1 In the event that any party hereto (the “**Defaulting Owner**”) does not fulfil any of its obligations under this Agreement or is in breach of any of its covenants herein, the other party (the “**Non-Defaulting Owner**”), will have the right, but not be obligated, to perform such obligations and covenants in the place of the Defaulting Owner and make reasonable and necessary expenditures therefor, and the Defaulting Owner hereby indemnifies the Non-Defaulting Owner for the costs so incurred. Prior to exercising such rights, the Non-Defaulting Owner will give not less than 10 days’ prior written notice to the Defaulting Owner, except in the case of emergency, where the Non-Defaulting Owner will only be required to give such notice as is reasonable in the circumstances having regard to the nature of the emergency.

7. SUBDIVISION

7.1 The easement granted in Section 1.1 and the other covenants and agreements herein of the Grantor will be construed as running with the Servient Lands and as appurtenant to the Dominant Lands.

7.2 If the Dominant Lands are subdivided either wholly or in part at any time either under the provisions of the *Land Title Act* (British Columbia) or the *Strata Property Act* (British Columbia), as amended from time to time, on the deposit of a plan of subdivision, strata plan or similar plan, as the case may be, the benefit of the easement granted in Section 1.1 and the other covenants and agreements herein will be annexed to and run with each of the new parcels, lots or other subdivided parcels and areas.

7.3 If the Servient Lands are subdivided either wholly or in part at any time either under the provisions of the *Land Title Act* (British Columbia) or the *Strata Property Act* (British Columbia), as amended from time to time, on the deposit of a plan of subdivision, strata plan or similar plan, as the case may be, the burden of the easement granted in Section 1.1 and the other covenants and agreements herein will continue to charge each of the new parcels, lots or other subdivided parcels and areas so created. Notwithstanding the

foregoing, upon the registration of the Easement Plan, the burden of the easement granted in Section 1.1 and the other covenants and agreements herein will bind only the new parcels, lots or other subdivided parcels and areas upon which the Easement Area is located.

7.4 In the event the Dominant Lands or the Servient Lands are subdivided by the deposit of a strata plan in accordance with the *Strata Property Act* (British Columbia), as amended from time to time, then:

- (a) the benefit and burden of the easement granted in Section 1.1 and the other covenants and agreements herein will be automatically accepted on behalf of the owners of the strata lots by the strata corporation created thereby, without the need of further documentation, and will be administered, enforced, modified or released by the strata corporation only and, in particular, without limiting the generality of the foregoing, the strata corporation will make all payments required to be made under this Agreement and will receive all payments to be paid under this Agreement;
- (b) the owners of the strata lots will not attempt to enforce or in any way interfere with the administration by the strata corporation of the easement granted in Section 1.1;
- (c) the personal liability under this Agreement of each owner of a strata lot that enjoys the benefit of the Easement Area, will be limited to the unit entitlement of the respective strata lot in the common property of the strata plan; and
- (d) any agreement to modify this Agreement or to modify the easement granted in Section 1.1 will require a special resolution of the strata corporation.

8. SECTION 219 COVENANT

8.1 Pursuant to Section 219 of the *Land Title Act*, the Grantor covenants and agrees with the City as a covenant charging and running with and binding the Servient Lands that:

- (a) the Servient Lands will not be used for any purpose that would detract from or interfere with the use of the Dominant Lands for the purposes provided in this Agreement;
- (b) under no circumstances whatsoever will the easement in Section 1.1 be suspended, interrupted or terminated by reason of any breach, default, trespass or other wrong, whether by commission or omission, on the part of the Grantee, or those claiming by, through or under either of them or for any reason whatsoever, and the Grantor will refrain from seeking any judgment, order or declaration to that effect, except with the written consent of the City. Nothing contained herein shall prevent the Grantor (or a strata corporation if such parcel has been subdivided by a strata plan) from applying to enjoin or restrain any wrongful action or from seeking damages therefor;
- (c) notwithstanding this Agreement, the easements, covenants and rights granted pursuant to the provisions of this Agreement shall not be modified, abandoned, surrendered or discharged without the prior written consent of the City;
- (d) notwithstanding anything to the contrary herein contained, the City is a party to this Agreement for the purposes only of receiving any rights granted to it in this Section 8.1 and, without limiting the generality of the foregoing, neither the City nor any of its elected officials, officers, servants, employees or agents (each herein called a “City Party” and collectively called the “City Parties”)

will be liable for anything done or failed to be done pursuant to or associated with any provision within this Agreement or anything contemplated thereby, whether or not such act or omission was accompanied by negligence on the part of the City or any City Party; and

- (e) the Grantor covenants and agrees with the City, on a joint and several basis, to release and indemnify and save harmless the City and each City Party, from all manner of actions, causes of action, claims, demands, suits, losses, expenses, judgments and costs (including legal fees and disbursements on an indemnity basis) arising out of or in any way related to, or that would not or could not be sustained “but for”, any of the following:
 - (1) this Agreement including, but not limited to:
 - (A) the easements granted hereunder;
 - (B) the loss or abridgement of the easements granted hereunder; and
 - (C) the exercise of the easements granted hereunder;
 - (2) any release of this Agreement or the loss of any of the rights granted hereunder;
 - (3) the non-compliance of any parcel with any City bylaw, notwithstanding this Agreement;
 - (4) any breach by any Owner or those for whom they are, respectively, responsible in law, of their respective obligations contained in this Agreement;
 - (5) any personal injury, damage or death occurring in or on the Dominant Lands or the Servient Lands; and
 - (6) a claim made against the City or a City Party, notwithstanding Section 8.1(d) above.

8.2 The Grantor agrees that damages will not be an adequate remedy for the City for any breach by the Grantor or the Grantee its respective obligations under this Agreement and that the City is entitled to an order for specific performance or a prohibitory or mandatory injunction as a remedy for any such breach.

8.3 The Grantor agrees that in any proceeding relating to this Agreement, the City is entitled to its costs on a solicitor and its own client basis.

8.4 The Grantor hereby acknowledges, agrees and declares that the provisions of this Section 8 are for the sole purpose of benefiting the City and, in particular, acknowledge, agree and declare that the provisions of this Section 8 are not designed to protect or promote the interests of either the Grantor or the Grantee, the users of the Dominant Lands or the Servient Lands or any future owner, occupier or user of the Dominant Lands or the Servient Lands or any other person or corporation whatsoever, and the City may at its option execute an amendment to, or a release of, any of the provisions of this Section 8 or any part thereof at any time without liability to anyone for so doing.

9. ARBITRATION

9.1 If the Grantor and the Grantee are at any time, or from time to time, unable to agree on any matter whatsoever with regard to or arising from this Agreement within what either the Grantor or the Grantee

considers to be a reasonable time, then either may deliver to the other notice that the matter is to be referred to a single arbitrator in accordance with the provisions of the *Commercial Arbitration Act* (British Columbia), as amended from time to time, and the cost of arbitration will be shared equally by the parties. The arbitrator's decision with respect to any matter in dispute will be final and binding on the parties.

10. MISCELLANEOUS

- 10.1 The parties agree that a condition of the sale of either the Servient Lands or the Dominant Lands, as the case may be from time to time, will be that the purchaser or purchasers thereof will covenant in writing to be bound by and observe and perform each and every term, covenant and condition of this Agreement applicable to the Grantor or the Grantee, as the case may be.
- 10.2 Subject to Section 10.1, none of the covenants herein contained will be personal and binding on the Grantor and the Grantee except during their ownership of the Servient Lands and the Dominant Lands, respectively, and each such owner will be liable only for any breaches of such covenants that occur during their respective periods of such ownership.
- 10.3 The parties will at all times be reasonable in exercising their rights, forming their opinions and performing their duties and obligations under this Agreement.
- 10.4 Waiver of any default by either party will not be deemed to be a waiver of any subsequent default by that party.
- 10.5 Whenever it is required or desired that a party serve a notice on the other party, service will be deemed to be satisfactory and to have occurred:
- (a) on the date of service, if that party has been personally served; or
 - (b) on the date received or on the third business day after mailing in any Canadian post office, whichever is the earlier, if mailed by prepaid registered mail, so long as the notice is mailed to the party at the most recent address shown for that party in the records of the Land Title Office or to whatever address any party from time to time in writing notifies the other party.
- 10.6 Whenever the singular or masculine is used in this Agreement, the same is deemed to include the plural or the feminine or the body politic or corporate as the context so requires.
- 10.7 The word "including", when following any general statement, will be construed to refer to all other things that could reasonably fall within the scope of such general statement, whether or not non-limiting language (such as "without limitation" or "without limiting the generality of the foregoing") is used with reference thereto.
- 10.8 Each party will from time to time execute and deliver (in registerable form where required), at the request of the other, all such further documents and do or cause to be done such further acts and things and give all such further assurances that may be necessary or desirable to facilitate the granting of the easement contained herein or the partial discharge of the same as contemplated in Section 2.1. For greater certainty, if the City requires the modification or the replacement of this Agreement and/or the execution of a Section 219 Covenant charging the Servient Lands (in order to ensure that this Agreement is not modified or discharged without the City's consent, among other things) as a condition of its issuance of a development permit or building permit in connection with the construction of the PCI Development, then the Grantor

will execute and deliver (in registrable form where required) such further documents provided they follow the general intent and spirit of this Agreement.

- 10.9 This Agreement will enure to the benefit of the Grantee and its respective successors and assigns and will be binding upon the Grantee and the Grantor and their respective successors and assigns notwithstanding any rule of law or equity to the contrary.
- 10.10 This Agreement will be governed by and construed in accordance with the laws in force from time to time in the Province of British Columbia.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written on the Form C and Form D instruments above which are a part hereof.

CONSENT AND PRIORITY 1

WHEREAS BlueSky Properties (UD Lands) Inc. has entered into the attached Agreement (the “**Covenant and Easements**”) to which the City of Surrey is a party and under which BlueSky Properties (UD Lands) Inc. has granted certain rights, licenses and easements with respect to the lands therein and herein described the Servient Lands.

AND WHEREAS Surrey City Development Corporation (the “**SCDC Chargeholder**”) is the holder of the following charges or interests encumbering the Servient Lands, all of which have been registered in the Land Title Office under the numbers respectively indicated:

Mortgage CA2326575 (called the “**SCDC Chargeholder Security**”);

NOW THEREFORE THIS INDENTURE WITNESSES that:

1. The SCDC Chargeholder hereby consents to the registration of the Covenant and Easements and the rights, licenses and easements granted thereby.
2. The SCDC Chargeholder hereby covenants and agrees that the Covenant and Easements and the rights, licenses, easements, covenants and charges granted by the Covenant and Easements shall be binding upon its interests in and charges upon the Servient Lands under the SCDC Chargeholder Security, and that Covenant and Easements and each of the rights, licenses, easements, covenants and charges granted thereby shall be an encumbrance upon the Servient Lands ranking in priority to each of the SCDC Chargeholder Security charges in the same manner and to the same effect as if the Covenant and Easements had been dated, executed and registered prior to the SCDC Chargeholder Security and prior to the advance of any monies pursuant to the SCDC Chargeholder Security.
3. This Indenture shall be binding on the successors and assigns of the SCDC Chargeholder.

IN WITNESS WHEREOF the SCDC Chargeholder has executed this priority agreement by causing its proper officers to sign the General Instrument.

CONSENT AND PRIORITY 2

WHEREAS BlueSky Properties (UD Lands) Inc. has entered into the attached Agreement (the “**Covenant and Easements**”) to which the City of Surrey is a party and under which BlueSky Properties (UD Lands) Inc. has granted certain rights, licenses and easements with respect to the lands therein and herein described the Servient Lands.

AND WHEREAS HSBC Bank Canada (the “**HSBC Chargeholder**”) is the holder of the following charges or interests encumbering the Servient Lands, all of which have been registered in the Land Title Office under the numbers respectively indicated:

Mortgage CA2404302, Assignment of Rents CA2404303, Mortgage CA2977741 and Assignment of Rents CA2977742 (called the “**HSBC Chargeholder Security**”);

NOW THEREFORE THIS INDENTURE WITNESSES that:

1. The HSBC Chargeholder hereby consents to the registration of the Covenant and Easements and the rights, licenses and easements granted thereby.
2. The HSBC Chargeholder hereby covenants and agrees that the Covenant and Easements and the rights, licenses, easements, covenants and charges granted by the Covenant and Easements shall be binding upon its interests in and charges upon the Servient Lands under the HSBC Chargeholder Security, and that Covenant and Easements and each of the rights, licenses, easements, covenants and charges granted thereby shall be an encumbrance upon the Servient Lands ranking in priority to each of the HSBC Chargeholder Security charges in the same manner and to the same effect as if the Covenant and Easements had been dated, executed and registered prior to the HSBC Chargeholder Security and prior to the advance of any monies pursuant to the HSBC Chargeholder Security.
3. This Indenture shall be binding on the successors and assigns of the HSBC Chargeholder.

IN WITNESS WHEREOF the HSBC Chargeholder has executed this priority agreement by causing its proper officers to sign the General Instrument.

END OF DOCUMENT