

Disclosure Statement Dated July 22, 2021

**COVE BAY DEVELOPMENTS INC.**

**DISCLOSURE STATEMENT**

*Real Estate Development Marketing Act of British Columbia*

Developer: **COVE BAY DEVELOPMENTS INC.**

Development to be known as: **"BAYVIEW HILLS"**

Address of Development: **Block A Priestland Rd  
Halfmoon Bay, British Columbia**

Address for Service: **c/o Ostrosky Law Corporation  
201-1001 Gibsons Way  
Gibsons, B.C. V0N 1V8**

Developer Address: **710-939 Homer St  
Vancouver, B.C., V6B 2W6**

Developer's Real Estate Agent: **Tony Browton, PREC\*  
Re/Max City Realty  
938 Gibsons Way  
Gibsons, B.C., V0N 1V7**

**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.

**CONTRACT OF PURCHASE AND SALE INFORMATION**

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

\_\_\_\_\_  
(Insert Purchaser's Name)

Who has confirmed that fact by initialing in the space provided here: \_\_\_\_\_

## 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 seven (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.

Under section 21 of the *Real Estate Development Marketing Act* (British Columbia), the purchaser or lessee of a development unit is also provided, subject to certain exceptions and conditions, a right to rescind a contract of purchase and sale by serving written notice of rescission on the developer or the developer's brokerage:

- (a) if the purchaser is entitled to a disclosure statement for the development but does not receive the disclosure statement; or
- (b) if all of the following apply:
  - (1) the purchaser does not receive an amendment to this disclosure statement which it was entitled to receive;
  - (2) the amendment relates to or would have related to a fact or proposal to do something that is a material fact;
  - (3) the amendment relates to or would have related to a fact or proposal to do something that was or would have been reasonably relevant to the purchaser in deciding to enter the contract of purchase and sale; and
  - (4) no more than one (1) year has elapsed after the transfer of title to the development unit to the purchaser.

Note that the foregoing rights of rescission apply regardless of whether title to the development unit has transferred to the purchaser.

**SALE OF LOTS PRIOR TO THE DEVELOPER OBTAINING AN UNCONDITIONAL COMMITMENT  
TO FINANCING (Real Estate Development Marketing Act, Policy Statement 6)**

1. Policy Statement 6 issued by the Superintendent of Real Estate pursuant to the *Real Estate Development Marketing Act* (British Columbia) requires that in order for a developer to market a development unit before obtaining a satisfactory financing commitment:

- (a) The estimated date for obtaining a satisfactory financing commitment, as disclosed in the disclosure statement, is 9 months or less from the date the developer filed the disclosure statement with the superintendent;
- (b) The developer markets the proposed development units under the disclosure statement for a period of no more than 9 months from the date the disclosure statement was filed with the superintendent, unless an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is filed with the superintendent during that period;
- (c) Any purchase agreement used by the developer, with respect to any development unit offered for sale or lease before the purchaser's receipt of an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment, contains the following terms:
  - (i) If an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is not received by the purchaser within 12 months after the initial disclosure statement was filed, the purchaser may at his or her option cancel the purchase agreement at any time after the end of that 12 month period until the required amendment is received by the purchaser;
  - (ii) The amount of the deposit to be paid by a purchaser who has not yet received an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is no more than 10% of the purchase price; and
  - (iii) All deposits paid by a purchaser, including interest earned if applicable, will be returned promptly to the purchaser upon notice of cancellation from the purchaser.

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## LIST OF SCHEDULES

## **1. THE DEVELOPER**

The developer of the Development (as defined in section 2) is Cove Bay Developments Inc., a corporation formed under the laws of the Province of British Columbia on April 21, 2021 under registration number BC1301391 (the "Developer").

The Developer was incorporated to acquire lands and develop and manage, lease, keep, use, occupy, and/or sell residential properties. The Development (as defined in section 2.1), to be known as Bayview Hills, will be the Developers only asset.

The address of the Developer's registered and records office is:

201-1001 Gibsons Way, Gibsons BC, V0N 1V8

### **1.1. Background of Developer:**

Bayview Hills is the first development for the Developer. However, Alister Toma, the director (the "Director"), of the Developer has over 15 years of business, marketing and development experience. Over the course of his career Mr. Toma has overseen a number of land and property projects in Australia and Canada, taking charge of everything from acquisition to asset holding to contracting to property management and more. Mr. Toma recently developed "Cove Beach" which is a 10 lot beachfront development in Halfmoon Bay, B.C. Purchasers can view Mr. Toma's most recent development project on the Cove Beach website [covebeachsunshinecoast.com](http://covebeachsunshinecoast.com)

Mailing Address of the Director:

Alister Toma  
710-939 Homer St  
Vancouver, B.C. V7B 2W6

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 any director or officer of the principal holders of the Developer, within the ten 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.

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 any director or officer of the principal holders of the Developer, 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 relating 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.

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 any director or officer of the principal holders of the Developer, within the five years before 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 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; or
- (b) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating 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.

## 1.2. **Conflicts of Interest**

The Developer is not aware of any existing or potential conflicts of interest among the Developer, manager, any directors, officers and principal holders of the Developer and manager, any directors and officers of the principal holders, and any person providing goods or services to the Developer, manager or holders of the development units in connection with the development which could reasonably be expected to affect the purchaser's decision to purchase, except for the following:

- (a) Notwithstanding that the Developer is offering for sale to the public each of the Lots (as defined below in section 2.1) that comprise the Development, the Developer reserves the right and may elect to, cease sales to the public at any time, after any number of the Lots have been sold, and may elect to retain any number of the Lots to use, occupy, lease, or transfer the Lots on terms established by the Developer, in its sole discretion, including but not to limit the foregoing, transfer the Lots to related companies which may have all or some of the same directors and officers as the Developer; and
- (b) The Developer intends on developing and subdividing lands which neighbour the Development, legally described as BLOCK B (REFERENCE PLAN 1658), GROUP 1 NEW WESTMINSTER DISTRICT, EXCEPT PORTIONS IN PLANS 7134 AND 7481 DISTRICT LOT 1427 PID: 015-931-919 ("Block B"), sometime in the near future. Once Block B is subdivided, the newly created lots will be offered for sale. Block B and any future lots created by the subdivision of Block B will be permitted to use the Community Septic System (as defined in section 3.1 below). The Developer will enter into certain agreements, easements and other charges in favour of Block B, prior to completion of the Development, which will facilitate the development and subdivision of Block B.

## 2. **GENERAL DESCRIPTION AND LOCATION OF THE DEVELOPMENT**

### 2.1. **General Description of the Development**

The existing legal description of the land which the Development will be located is as follows:

Parcel Identifier: 015-931-901

BLOCK A (REFERENCE PLAN 1657), GROUP 1 NEW WESTMINSTER DISTRICT EXCEPT PORTIONS IN PLANS 7134, 7360, 7481 AND 7697 DISTRICT LOT 1427 (the "Lands")

The Development will be located in Halfmoon Bay, British Columbia on Priestland Road. The civic address for the Development will change and will be as determined by the Sunshine Coast Regional District (the “SCRD”) and the Developer, at their sole discretion.

The Development is predicted to consist of 12 residential freehold lots. However, the Developer intends on creating an additional 17 lots on the Remainder Parcel (as defined below) some of which may be freehold lots and some of which, or all, may be bareland strata lots (together with the strata corporation and surrounding common property) (the “Future Lots”).

Attached as Schedule A is a draft subdivision plan (the “Draft Subdivision Plan”). **The Lots being offered for sale in this Disclosure Statement are:**

#### **Freehold Lots 1-12 (the “Lots”)**

Prior to substantial completion of the Development, a final surveyed subdivision plan (the “Subdivision Plan”) will be filed in the Land Title Office subdividing the Lands to create the Lots, and remainder parcel (the “Remainder Parcel”). The Developer will retain the Remainder Parcel. The Developer intends on filing a second subdivision plan and/or strata plan to further subdivide the Remainder Parcel to create the Future Lots.

The Lots and their intended uses in the Development are subject to the bylaws and regulations of the SCRD.

The Lots are designed for residential single family living.

The Subdivision Plan has not been deposited for registration, but a preliminary layout review has been issued by the Ministry of Transportation and Infrastructure (the “PLR”) and is attached as Schedule “B”.

The estimated date for deposit of the Subdivision Plan creating the Development is between October 30, 2022 and January 30, 2023.

The Developer reserves the right to change the number, size, shape and/or location of the Lots in the Development, in its sole discretion.

The Developer reserves the right to further subdivide the Remainder Parcel to create any number of freehold lots and/or bareland strata lots, together with limited and/or common property, in its sole discretion. The Developer also reserves the right to not proceed with subdividing the Remainder Parcel.

## **2.2. Permitted Use**

The Development is within the SCRD. A full copy of the Zoning Bylaw that sets out all of the potential permitted uses is available for viewing on the SCRD’s website at <https://www.scrd.ca/bylaw-zoning->

Information regarding the Zoning Bylaws can also be obtained by contacting the SCRD at 604-885-6804.

The Lots will be subject to a Statutory Building Scheme, a draft Building Scheme is attached to this Disclosure Statement as Schedule "C". **The Building Scheme contains important restrictions regarding use of, and construction on, the Lots.**

**Purchasers should review the Building Scheme in detail. The Developer reserves the right to amend the Building Scheme at its sole discretion.**

2.3. **Building**

Purchasers of the Lots will be responsible for construction of any dwelling unit or other improvements to be situated on a Lot and to obtain all required building permits, all at the cost of the Purchaser. Except as noted herein, the Developer will only be providing limited servicing to the Development and will not construct any improvements on the Lots.

2.4. **Phasing**

The Development is not a phased development under the *Strata Property Act* (BC).

3. **SERVICING INFORMATION**

3.1. **Utilities and Services**

The Development will be serviced by a water system, electricity, fire protection, telephone, cable television and road access. Road access for any number of the Lots may be facilitated by way of a series of easements over portions of the Lands.

The individual Lot owners will be responsible for the costs of all utilities and the costs associated with connecting to all utilities.

The Development will be serviced by a community septic system (the "Community Septic System") which will be located approximately at the location shown on the Draft Subdivision Plan. The Lot owners will be responsible for all costs associated with connecting to the Community Septic System. The Lot owners will be responsible for paying an annual fee for use of the Community Septic System, the fee to be determined by the SCRD and Developer at their sole discretion. The Developer reserves the right to amend the location, size and specifics of the Community Septic System, as needed to obtain approval for the Development and future development of the Remainder Parcel and Block B. The Developer reserves the right to transfer ownership, control and management of the Community Septic System to a strata corporation, numbered company controlled by the Developer and/or the SCRD.

4. **TITLE AND LEGAL MATTERS**

4.1. **Legal Description**

The Lands are currently legally described as: Parcel Identifier: 015-931-901  
BLOCK A (REFERENCE PLAN 1657), GROUP 1 NEW WESTMINSTER DISTRICT EXCEPT  
PORTIONS IN PLANS 7134, 7360, 7481 AND 7697 DISTRICT LOT 1427



4.2. **Ownership**

The Developer is the owner of the Development property.

4.3. **Existing Encumbrances and Legal Notations**

There are no encumbrances registered against title to the Lands, except Legal Notation BB1317342 in favour of the SCRD advising the Lands are subject to a permit. Legal Notation BB1317342 will remain registered against title to the Lots and/or Common Property of the Development.

4.4. **Proposed Encumbrances:**

The following additional encumbrances may be registered by the Developer in favour of or against title to the Lands, which will remain as legal notations or encumbrances, respectively, against title to the Lots or the Remainder Parcel after filing the Subdivision Plan in the Land Title Office (unless otherwise indicated):

- I. easements, restrictive covenants, dedications and rights-of-way and other rights or restrictions in favour of utilities, communications suppliers, public authorities, municipalities or any other applicable government authority or public or private utility (including, without limitation, the SCRD, MOTI, Ministry of Environment, Vancouver Coastal Health, Telus, BC Hydro and FortisBC) with respect to provision of utilities to the Development or in connection with approval of the development, construction and occupation of the Lands, the Development and the Lots, future development of the Remainder Parcel and/or Block B.
- II. easements, restrictive covenants, dedications and rights-of-way and other rights or restrictions as needed by the approving authorities to approve the Development, future development of the Remainder Parcel and/or future development of Block B.
- III. modifications or replacements of the existing encumbrances registered against title to the Lands in connection with the approval of the development, construction and occupation of the Lands, the Development, the Lots and/or future development of the Remainder Parcel and/or future development of Block B;
- IV. The Developer may also accept grants of easements, restrictive covenants or other rights or charges over neighbouring lands for the benefit of the Lands, or for the benefit of a neighbouring parcel owned by the Developer or a related corporation controlled by the Developer, which agreements may contain certain cost sharing provisions with respect to the use of common utility systems and common facilities. The Developer reserves the right to grant easements, statutory right of ways, restrictive covenants and other charges over the Lands in favour of Block B and the Remainder Parcel, including but not to limit the foregoing, statutory right of ways, easements and covenants, to facilitate 60 new lots that the Developer intends on creating by subdividing Block B.
- V. any Fixture Notices pursuant to section 49 of the *Personal Property Security Act* (BC) as may be required for the purchase of chattels to be included in the Lots. The chattels covered by the Fixture Notices will be paid for upon installation from the construction financing funds or from sale proceeds;

- VI. agreements which set out the rights and obligations of the owner of the Lots which may include an indemnity granted by the Lot owners to the SCRD, approving bodies, Remainder Parcel and/or Block B.
- VII. mortgages, assignment of rents and any other security documentation required by the Developer's lenders for the financing of the Development;
- VIII. one or more mortgages and related security in respect of any deposit protection contract that may be entered into by the Developer (see Section 7.1);
- IX. modifications or replacements of the existing encumbrances registered against title to the Lands in connection with the approval of the development, construction and occupation of the Lands, Development, Lots, Remainder Parcel and/or Block B; and
- X. the Developer may also accept grants of easements, restrictive covenants or other rights or charges over other neighbouring lands, for the benefit of the Lands, which agreements may contain certain cost sharing provisions with respect to the use of common utility systems and common facilities.

4.5. **Outstanding or Contingent Litigation or Liabilities**

The Developer is unaware of any outstanding or contingent litigation or liability in respect of the Development or against the Developer, which may affect the Lots.

4.6. **Environmental Matters**

The Developer is not aware of any dangers or requirements imposed by the SCRD or other governmental authorities connected with the Development with respect to flooding or drainage hazards.

The Developer is not aware of any dangers or any requirements imposed by the SCRD or other governmental authorities connected with the Development in respect of the condition of the soil or subsoil.

Other Environmental Matters: The Developer is not aware of any other environmental matter which may affect the Development or the Lots.

**5. CONSTRUCTION AND WARRANTIES**

5.1. **Construction Dates**

The estimated date for commencement of construction of the Lots is between October 30, 2021 and January 30, 2022, and the estimated completion is anticipated to be between October 30, 2022 and January 30, 2023.

The Developer reserves the right to change the estimated date ranges or commencement and/or completion of construction of the Lots. The estimated completion date range for the Lots is an estimate only and is not to be relied upon by purchasers for determining the completion date of their purchases. In particular, depending on excavation and related construction commencement or

completion of construction, or both, may be advanced to an earlier date or delayed (or any combination of the foregoing).

5.2. **Warranties**

There are no specific warranties for this Development.

5.3. **Previously Occupied Building**

There is no previously occupied building on the Lands, or in the Development.

**6. APPROVALS AND FINANCES**

6.1. **Development Approval**

The Ministry of Transportation and Infrastructure issued PLR No. 2017-04710 and subsequent extensions.

The SCRD has confirmed that the Development will be approved when certain conditions have been met, all of which are within the control of the Developer.

The Development will comply with all building restrictions, zoning regulations and other restrictions governing the use and development of the Development, and any Lot therein.

6.2. **Construction Financing**

As of the date of this Disclosure Statement, the Developer has not obtained an unconditional financing commitment for financing the construction of the Development. The estimated date for obtaining a satisfactory financing commitment for the construction of the Lots is nine months or less from the date this Disclosure Statement is filed with the Superintendent of Real Estate. **An Amendment to this Disclosure Statement setting out particulars of the satisfactory financing commitment will be filed with the Superintendent of Real Estate, and a copy thereof delivered to each purchaser, once a financing commitment has been obtained.**

The Lands as of the date of this Disclosure Statement have not yet been charged with security. However, at any time the Lands may be charged with the security described in section 4.4 above and following receipt of a satisfactory financing commitment, title to the Lots will be subject to the financial encumbrances described in 4.3(d) and may be subject to additional mortgages, assignment of rent and/or any other security relating to such construction financing commitment (collectively referred to as the "Construction Security"). The Developer will cause any Construction Security to be partially discharged from the title to any particular Lot within a reasonable time after receipt of the net sale proceeds from the sale of such Lot. As additional security for the Construction Financing, a general security agreement may be registered against the Developer and/or the Registered Owner in the British Columbia Personal Property Registry.

Under section 12 of the *Real Estate Development Marketing Act* (BC), a developer must not market a subdivision lot unless the Developer has made adequate arrangements to ensure payment of the cost of utilities and other services associated with the subdivision lot. The Developer will satisfy the requirements of the Superintendent of Real Estate in relation to this requirement as they relate to the Development. 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 services

associated with the subdivision lots. In this case, no further terms and conditions are applicable to the marketing of the subdivision lots.

## **7. MISCELLANEOUS**

### **7.1. Deposits**

All monies received from purchasers of the Lots will be held in a trust account of a licensee under the *Real Estate Services Act*, or by a solicitor or notary public until completion of the transaction or earlier termination, in accordance with the terms of the contract of purchase and sale and in the manner required by the *Real Estate Development Marketing Act* (BC) until such time as:

(a) Both:

1. The Subdivision Plan has been deposited for registration in the appropriate Land Titles Office and the Lot purchased or leased is capable of being occupied; and
2. An instrument evidencing the interest of the purchaser or lessee in the Lot has been filed for registration in the appropriate Land Title Office, or

(b) The contract has been earlier terminated.

The interest, if any, accrued on the deposits will be for the account of and payable to the Developer.

### **7.2. Purchase Agreement**

A copy of the form Contract of Purchase and Sale which the Developer proposes to use for the sale of the Lots is attached hereto as Schedule "D".

#### **7.2.1. Termination of the Contract and Extension of Completion Date:**

- (a) If the Completion Date has not occurred by the Outside Date, the Contract will be terminated and the Deposit paid by the Purchaser will be returned to the Purchaser.
- (b) If the Purchaser fails to complete the purchase of the Lot, then the Deposit and any accrued interest thereon will be non-refundable and be absolutely forfeited to the Vendor. The payment to the Vendor of the Deposit and any accrued interest thereon will not be deemed to be all inclusive liquidated damages and will not preclude any further claims or remedies by the Vendor against the Purchaser.
- (c) If the Vendor fails to complete the sale of the Lot, then the Deposit paid by the Purchaser will be paid to the Purchaser (but all accrued interest thereon will be retained by the Vendor) and the Purchaser will have no further claims against the Vendor. The return to the Purchaser of the Deposit paid by the Purchaser will be the Purchaser's sole and exclusive remedy, and the Purchaser will have no further claims against the Vendor.
- (d) The Contract contains certain rights in favour of the Developer to terminate the Contract in the event of:

- (1) the non-payment of a required Deposit under the Contract;
  - (2) if the balance of the Purchase Price is not paid to the Developer by the Purchaser on the Closing Date; and
  - (3) if the Purchaser is otherwise in default under the terms of the Contract,
- e) Time will be of the essence of the Contract and unless all payments on account of the Purchase Price, together with adjustments thereto as provided in the Contract and all other amounts payable under the Contract are paid when due, then the Vendor may, at its option:
  - (1) terminate the Contract by written notice to the Purchaser and, in such event, the Deposit and all accrued interest thereon will be absolutely forfeited to the Vendor without prejudice to the Vendor's other remedies and the Vendor's Solicitors are irrevocably authorized and directed by the Purchaser to pay the amount held by them and such interest as may have accrued thereon to the Vendor upon written demand therefore by the Vendor; or
  - (2) elect to extend the Completion Date to a certain date determined by the Vendor, time to remain of the essence of the Contract and subject to the Vendor's right in its sole discretion, to grant further extensions to a certain date each time, in which event the Purchaser will pay to the Vendor, in addition to the Purchase Price, interest on the unpaid portion of the Purchase Price and other unpaid amounts payable hereunder at the rate of 2% per month (24% per annum), calculated daily and compounded monthly not in advance (effective annual rate of 26.82%), from the date upon which such portion and amounts were due to the date upon which such portion and amounts are paid.

The Vendor may cancel the Contract pursuant to subsection 7.2.1(e)(1) at any time after extending the Completion Date pursuant to subsection 7.2.1(e)(2) if the Purchaser fails to complete on or before such extended date.

- f) **The Purchaser may rescind (cancel) the Contract by serving written notice on the Developer or the Developer's brokerage within seven (7) days after the later of the date the Contract was entered into or the date the Purchaser received a copy of the Disclosure Statement.**
- g) If the Completion Date is a Saturday, Sunday, holiday or day upon which the Land Title Office is not open for business, the Completion Date will be the immediate following business day.
- h) If the Lot is not ready or titles have not been issued by the Land Title Office on the Completion Date, the Vendor may delay the Completion Date from time to time as required, by notice of such delay to the Purchaser or the Purchaser's Solicitors, in accordance with the Contract and subject to the limitations of the Contract.

7.2.2. The Contract contains the following restrictions regarding assignments:

- (a) Without the Developer's prior consent, any assignment of the Contract is prohibited.

An assignment under the *Real Estate Development Marketing Act* (BC) is a transfer of some or all of the rights, obligations and benefits under a purchase agreement made in respect of a lot in a development property, whether the transfer is made by the Purchaser under the purchase agreement to another person or is a subsequent transfer.

Each proposed party to an assignment agreement (each such agreement being an "Assignment Agreement") must provide the Developer with the information and records required under the *Real Estate Development Marketing Act* (BC).

Before the Developer consents to an assignment of a purchase agreement, the Developer will be required to collect information and records under the *Real Estate Development Marketing Act* (BC) from each proposed party to an assignment agreement, including personal information, respecting the following:

- (a) the party's identity;
- (b) the party's contact and business information; and
- (c) the terms of the assignment agreement.

Information and records collected by the Developer must be reported by the Developer to the administrator designated under the *Property Transfer Tax Act* (British Columbia). The information and records may only be used or disclosed for tax purposes and other purposes authorized by section 20.5 of the *Real Estate Development Marketing Act* (BC), which includes disclosure to the Canada Revenue Agency.

- (b) The Purchaser may only assign the Purchaser's interest in the Contract if: (a) all Deposit payments required to be paid on or before the proposed date of assignment have been paid; (b) the Developer has received all required information and records under the *Real Estate Development Marketing Act* (BC); and (c) the Purchaser has obtained the prior written consent of the Developer, which consent may be unreasonably withheld in the Developer's sole discretion. Any request for the consent of the Developer to an Assignment Agreement must be made via the Developer's solicitors. No assignment by the Purchaser will release the Purchaser from the Purchaser's obligations under the Contract. The Purchaser will pay to the Developer an administration fee in the amount of 2% of the Purchase Price plus GST for the assignment of the Purchaser's interest in the Strata Lot or in the Contract, as consideration for agreeing to the Assignment Agreement and for any associated legal and administrative costs. In the event that the Purchaser wishes to assign its rights under the Contract to the Purchaser's spouse, or to a member of the Purchaser's immediate family (which will be deemed to include only the parents and children of the Purchaser), or to a company which is wholly owned by the Purchaser, the Developer may, in its sole discretion, waive the assignment fee, but only on the condition that the Purchaser first provide the Developer's solicitors with a statutory declaration sworn by the Purchaser setting out the particulars of the relationship between the Purchaser and the assignee in sufficient detail as to be reasonably satisfactory to the Developer's solicitors. The Purchaser will not advertise or solicit offers from the public nor list the Lot on the Multiple Listing Service with respect to the resale of the Purchaser's interest in the Lot prior to the Closing Date,

without the prior written consent of the Developer, which consent may be refused by the Developer in the Developer's sole discretion.

7.2.3. Interest on Deposits:

- (a) Any interest earned on the Deposit will be to the benefit of the Vendor and not on account of the Purchase Price.
- (b) If the Purchaser defaults in the Purchaser's obligations under the Contract, the Vendor may, at its option, retain the Deposit and all accrued interest thereon on account of damages without prejudice to any other remedy which the Vendor may have in respect of the Purchaser's default.

**The information set out in this Section 7.2 is a summary only. Purchasers should refer directly to the Contract for the actual provisions summarized in this Section.**

7.3. Developer's Commitments

7.3.1. Construct Facilities

The SCRD requires the Developer to construct the Community Septic System that the SCRD will be responsible for maintaining, or the maintenance may become the responsibility of a strata corporation or other entity.

7.4. Other Material Facts

7.4.1. Manager's Residence

There will not be a manager's or caretaker's residence.

7.4.2. Continuing Sales and Marketing

Following the deposit of the Subdivision Plan at the Land Title Office, the Developer may continue to carry out, for such period as the Developer determines to be necessary or desirable in connection with the marketing of the Development, marketing and sales activities within the Remainder Parcel, roadways, pathways, future strata common property, Strata Utility Lot and within various Lots owned or leased by the Developer in the Development. The Developer also may place signage on the Remainder Parcel, Future Lots, strata common property, roadways, pathways, Strata Utility Lot, community gate and in other areas of the Development as part of its marketing and sales activities for the Development or for a future Development of the Developer or other corporation controlled by the Developer, for such period of time as the Developer determines to be necessary or desirable. In addition, the Developer may conduct tours of the Development from time to time with prospective purchasers in connection with its marketing and sales activities related to the Development or future development of the Developer or other corporation related to the Developer. The Developer will act reasonably in exercising these rights and will use reasonable efforts to minimize any interference with the use or enjoyment of the

Lots by existing owners. The Developer, or corporations or persons related to the Developer, reserve the right to market, advertise, tour and affix marketing materials on or to the Lands of the Development for the future Block B development or any future development of corporation related to the Developer or its Director.

7.4.3. Miscellaneous

- (i) The Developer makes no representations as to neighbouring land use, views and sightlines from the Development, and tree coverage. Purchasers must conduct their own due diligence in respect of any matters in respect thereof.
- (ii) The Developer shall have the sole and exclusive right to modify the Lots, and future lots, from the design, sizes, shapes and layouts shown and disclosed to Purchasers. The Developer reserves the right to modify any design feature advertised or shown to the Purchasers, including but not to limit the foregoing, the grading, landscaping, and other exterior elements and features, gates, pathways, roadways, decorative and/or security features, of the Development, at the Developer's sole discretion. The Developer reserves the right to substitute materials throughout the Development and Lots from that advertised or shown to the Purchasers.
- (iii) There are no representations or warranties, express or implied, collateral or otherwise, made by the Developer, or any of its marketing or sales representatives in connection with the Development or a Lot, except those expressly set forth in this Disclosure Statement and the Contract entered into between the Developer and a purchaser. The design, marketing and other sales materials used to market this Development may not reflect the actual finished Development, and the Developer reserves the right to make any changes to the Development from what is shown in marketing materials.



**DEEMED RELIANCE:**

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

**DECLARATION:**

The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of the 22<sup>nd</sup> day of July, 2021.

SIGNED this 22<sup>nd</sup> day of July, 2021.

Director in his personal capacity:

  
ALISTER TOMA

COVE BAY DEVELOPMENTS INC.

By:

  
Authorized signatory

**LIST OF SCHEDULES:**

Schedule A —DRAFT SUBDIVISION PLAN

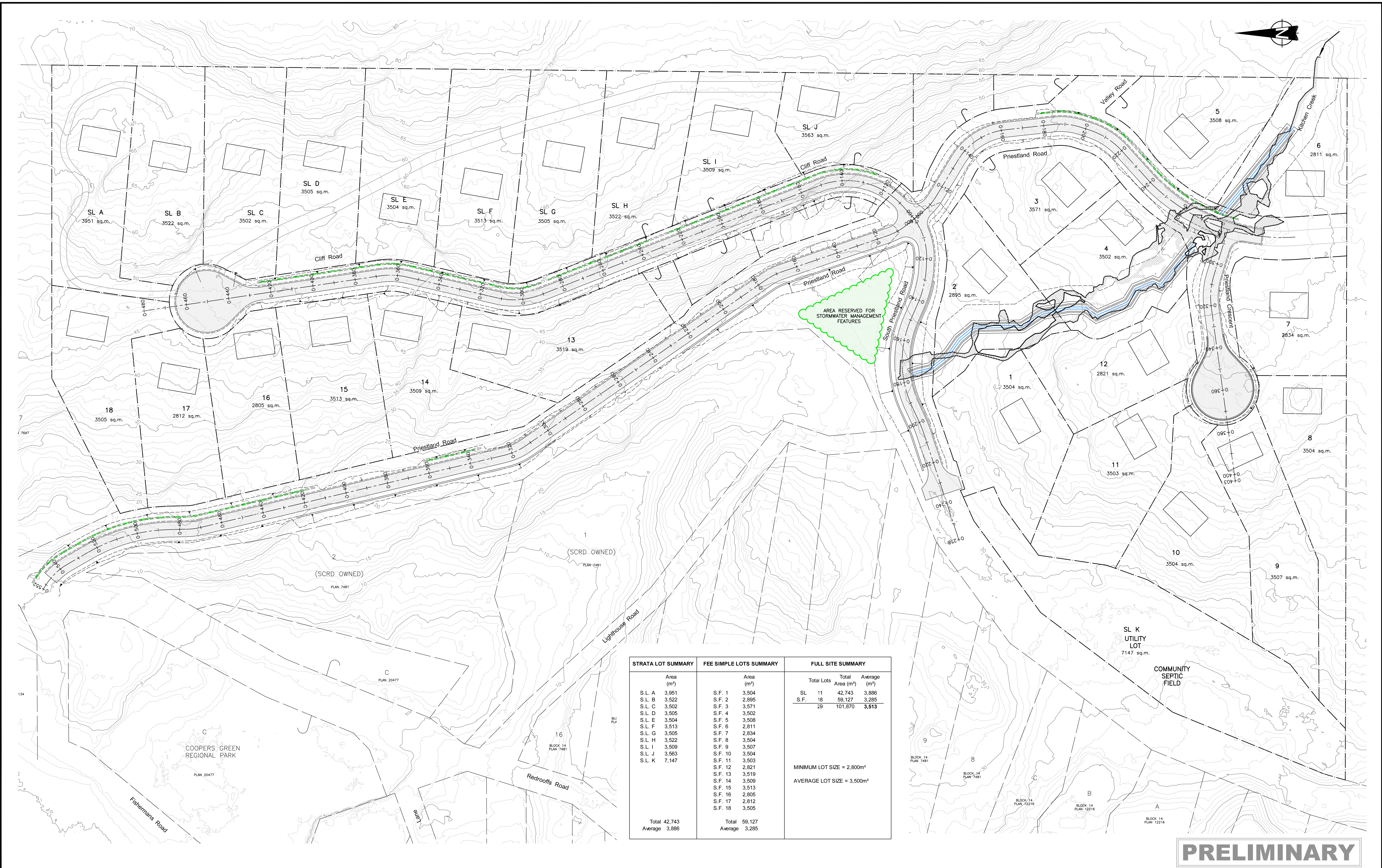
Schedule B — PRELIMINARY LAYOUT REVIEW

Schedule C — DRAFT BUILDING SCHEME

Schedule D —CONTRACT OF PURCHASE AND SALE

**SCHEDULE A**  
**DRAFT SUBDIVISION PLAN**





STRATA LOT SUMMARY		FEE SIMPLE LOTS SUMMARY		FULL SITE SUMMARY		
	Area (m²)		Area (m²)	Total Lots	Total Area (m²)	Average (m²)
S.L. A	3,951	S.F. 1	3,504	SL 11	42,743	3,886
S.L. B	3,522	S.F. 2	2,895	S.F. 18	59,127	3,285
S.L. C	3,502	S.F. 3	3,571	29	101,870	3,513
S.L. D	3,505	S.F. 4	3,502	MINIMUM LOT SIZE = 2,800m² AVERAGE LOT SIZE = 3,500m²		
S.L. E	3,504	S.F. 5	3,508			
S.L. F	3,513	S.F. 6	2,811			
S.L. G	3,505	S.F. 7	2,834			
S.L. H	3,522	S.F. 8	3,504			
S.L. I	3,509	S.F. 9	3,507			
S.L. J	3,563	S.F. 10	3,504			
S.L. K	7,147	S.F. 11	3,503			
Total 42,743 Average 3,886		S.F. 12	2,821			
		S.F. 13	3,519			
		S.F. 14	3,509			
		S.F. 15	3,513			
		S.F. 16	2,805			
		S.F. 17	2,812			
		S.F. 18	3,505			
		Total 59,127 Average 3,285				



**SCHEDULE B**  
**PRELIMINARY LAYOUT REVIEW**



**PROPOSED SUBDIVISION  
PRELIMINARY LAYOUT  
APPROVAL**

Your File #: S93023 2017SD  
eDAS File #: 2017-04710  
Date: Sep/24/2019

Cove Bay Developments Inc., Inc.  
No. BC1301391  
c/o Peter Gordon Land Surveying  
Inc. Box 2329  
Sechelt, British Columbia V0N 3A0  
Canada  
Attention: Peter Gordon

**Re: Proposed Subdivision of  
Block A (Reference Plan 1657) Group 1 New Westminster District Except  
Portions in Plans 7134, 7360, 7481 and 7697 District Lot 1427**

Your proposal for a 26 lot Conventional subdivision has received preliminary layout approval, subject to the following condition(s):

1. The Approving Officer considers that the land within your proposal may be subject to natural hazard(s) such as, but not limited to, flooding, erosion, land slip or avalanche. If the risk to persons and/or property is too great your proposal could be refused. If you wish to explore this aspect further, you should engage a Qualified Professional, registered with the Engineers and Geoscientists of BC (EGBC), to advise you.

For assessing landslide hazards the professional shall follow the most recent version of the EGBC Guidelines for Legislated Landslide Assessments for Residential Developments in BC and include the Appendix D: Landslide Assessment Assurance Statement, duly executed, with any report. Please note that for the purposes of that Appendix D statement, the province of British Columbia does not have an adopted level of landslide safety. Also, the report must be provided for the approving officer to refer to and retain in the record of the approval decision.

For assessing flood hazards the professional shall follow the most recent version of the EGBC Guidelines for Legislated Flood Assessments in a Changing Climate in BC and include the Appendix J: Flood Hazard and Risk

Local District Address
Sechelt Area Office Box 356 Sechelt, BC V0N 3A0 Canada Phone: (604) 740-8987 Fax: (604) 740-8988

Assurance Statement, duly executed, with any report. Please note that for the purposes of that Appendix J statement, the province of British Columbia does not have an adopted level of flood hazard or flood risk tolerance. Also, the report must be provided for the approving officer to refer to and retain in the record of the approval decision.

The Approving Officer could consider a subdivision plan at risk from an event, based upon a specific probability of occurrence of that event. When quantifying the frequency of occurrence of natural hazards, the Qualified Professional must distinguish between two different types of events: damaging events and life-threatening events.

When considering damaging events only, unless otherwise specified, a probability of occurrence of 1 in 475 years (10% probability in 50 years) for individual landslide hazards should be used as a minimum standard. This value is the probability of the damaging event occurring. The qualified professional is to identify the run-out extent, or area of influence, of the event.

Where the damaging event is a flooding hazard, a probability of occurrence of 1 in 200 years should be used as a minimum standard.

Where the damaging event is a snow avalanche hazard, a probability of occurrence of 1 in 300 years should be used as a minimum standard.

Where life-threatening catastrophic events are known as a potential natural hazard to a building lot the Qualified Professional is to consider events having a probability of occurrence of 1 in 10,000 years and is to identify areas beyond the influence of these extreme events.

Large scale development must consider the same 1:10,000 year events and must also consider the total risk to the new development. When the total risk approach is used, international standards must be identified. The consultant should clearly identify the calculation procedures used.

If there are any questions regarding terms of reference, please ask your Qualified Professional to contact us. Please submit one digital and four paper copies of any report.

## 2. FINDING A QUALIFIED PROFESSIONAL

Assessment of natural hazards requires the expertise of qualified professionals, typically;

- A Professional Geoscientist (in geology, or environmental geoscience)

- A Professional Engineer (in geological, mining, or civil engineering).

You may need both to address your subdivision requirements.

Engineers or Geoscientists are responsible to determine whether they are qualified to accept responsibility for landslide assessments.

The Engineers and Geoscientists of BC (EGBC) provides information on registered professionals, and related guidance (see [www.EGBC.bc.ca](http://www.EGBC.bc.ca)) on

retaining the appropriate professional expertise.

In seeking a professional to do an assessment, you are advised to look at;

- professional designation in the appropriate field of practice (directly and/or through EGBC)
- extent of professional experience (number of years and similar assessments)
- professional liability insurance
- past work references
- Guidelines for Legislated Landslide Assessments for Proposed Residential Development in British Columbia; EGBC, in particular
  - Section 6.0 - Professional Registration; Education, Training and Experience
  - Section 2.2 for guidance on the role of the professional, the client, and the approver.

Investigation or interpretation of complex geological conditions in support of landslide assessments is typically done by a Professional Geoscientist in the discipline of geology, OR a Professional Engineer in the discipline of geological engineering.

Designs for reinforced or mechanically stabilized slopes, retaining walls and other geotechnical structures to reduce landslide hazards need to be done by a Professional Engineer.

3. If required, the applicant shall provide a suitably worded covenant pursuant to Section 219 of the Land Title Act in favour of the Minister of Transportation and Infrastructure to implement the recommendations of the natural hazards report. The covenant must be given priority over all financial charges.
4. Covenant areas recommended in the report shall be defined by a Reference Plan prepared by a British Columbia Land Surveyor.
5. Written confirmation from the Qualified Professional that any required covenant or Reference Plan adequately reflects the recommendations of their report shall be submitted with the final plans.
6. The applicant shall comply with the requirements of the Sunshine Coast Regional District's letter dated December 21, 2017. Written confirmation from the regional district that the subdivision complies with all applicable bylaws shall be submitted with the final plans.
7. The required filing with the Ministry of Environment for the community sewage disposal system must be completed prior to final approval. A copy of the approved filing shall be submitted with the final plans.
8. The storm water management prepared by Kerr Wood Leidel Associates Ltd.



dated March 2009 is generally acceptable; however, any drainage infrastructure that will be maintained by the Ministry upon completion of the subdivision shall include climate change considerations within the design. The Professional Engineer shall follow the Engineers & Geoscientists British Columbia guideline Developing Climate Change-Resilient Designs for Highway Infrastructure in British Columbia (Interim) and a completed Design Criteria Sheet for Climate Change Resilience shall be submitted. The recommendations of the report shall be implemented in the final civil design.

9. Dedication for all proposed roads shall be a minimum of 20.0 meters and must provide a minimum of 3.0 meters between the any roadside ditch and the proposed property boundary.
10. Where the road design requires the use of cut or fill sections, dedication for the proposed road must be sufficient to provide a minimum of 3.0 meters from the bottom of any fill slope or the top of any cut slope to the proposed property boundary.
11. Priestland Road from Redroofs Road (including the intersection) to the cul-de-sac adjacent to Proposed Lot 24 shall be engineered and built to Ministry of Transportation and Infrastructure Collector Road paved standards as specified in Chapter 1400 of the BC Supplement to TAC Manual.

Attached for your information is a Geometric Design Criteria Sheet outlining design parameters for a Collector Road and a Local Road.

Infrastructure that will be maintained by the Ministry upon completion of the subdivision shall include climate change considerations within the design. The Professional Engineer undertaking the road design shall follow Ministry Technical Circular T04/19: Resilient Infrastructure Engineering Design & Adaptation to the Impacts of Climate Change and Weather Extremes and a completed Design Criteria Sheet for Climate Change Resilience shall be included with the design drawings. The Technical Circular can be found on our website at <https://www2.gov.bc.ca/assets/gov/driving-and-transportation/transportation-infrastructure/engineering-standards-and-guidelines/technical-circulars/2019/t04-19.pdf>.

The applicant is to retain a Professional Engineer to supervise and certify that all road construction has been completed in accordance with the latest edition of the Ministry's Standard Specifications for Highway Construction. The Professional Engineer shall be responsible for submission of inspection reports, photographs of different stages of construction, a list of material sources, sieve analysis of all granular material and compaction testing results. Compaction testing results shall be a minimum of one test at ten (10) metre increments or stations and all road base materials shall be compacted such that 100% Standard Proctor Density is achieved as described in Section 202 of the Standard Specifications for Highway Construction.

Engineered projects within Ministry of Transportation and Infrastructure rights-of-way or proposed right-of-way dedications must comply with this Ministry's Engineer of Record and Field Review Guidelines which can be found on our website at <https://www2.gov.bc.ca/assets/gov/driving-and-transportation/transportation-infrastructure/engineering-standards-and-guidelines/technical-circulars/2009/t06-09.pdf>.

The following must be adhered to:

- a) Upon completion of the final design, and prior to construction, the Engineer of Record (EOR) shall execute and submit to the Ministry representative the signed original Assurance of Professional Design and Commitment for Field Reviews (Form H1252).
- b) The parties will confirm the assignment of field review responsibilities in accordance with the assignments noted in Schedule A - Summary of Design and Field Review Assignments (Form H1252a).
- c) Upon completion of the construction the EOR will submit an Assurance of Professional Design - Post Construction (Form H1253), attaching copies of any Assurance of Field Reviews and Compliance (Form H1254) upon which the EOR is relying.

The applicant shall provide the Ministry with engineered drawings of the proposed road prior to commencement of any construction. The drawings must include, at minimum, a plan view, vertical alignment, horizontal alignment, cross section and drainage. The drawings shall be submitted in a manner and scale as per the Transportation Association of Canada (TAC) Geometric Design for Canadian Roads Manual and the BC Supplement to TAC Geometric Design Guide.

The applicant shall provide record drawings in PDF format prepared and signed by a Professional Engineer indicating that all construction has been completed to Ministry of Transportation and Infrastructure standards. The record drawings must show all utilities and underground works.

Any required culverts shall have a minimum diameter of 600mm.

A road works permit is required for any road construction within an existing road right-of-way.

- 12. An access to each lot shall be constructed and/or upgraded in a location acceptable to the District Manager, Transportation prior to final subdivision approval.
- 13. The Ministry file number 2017-04710 shall be included on the plan image.
- 14. All relevant documentation, covenants, final plans, fees, rural property tax report and written confirmations shall be submitted in one package to this office.

The approval granted is only for the general layout of the subdivision and is valid for one year from the date of this letter. However, if at any time there is a change in legislation or regulations this preliminary layout approval is subject to review and may be cancelled.

Submission of Final Plans (Survey Plan Certification and Application to Deposit) to be accompanied by a current Tax Clearance Certificate together with a plan examination fee of \$50.00 plus \$100.00 per lot created by the plan (for a Total of \$2650.00). If paying by cheque, make payable to the Minister of Finance.

If you have any questions please feel free to call Kattia Woloshyniuk at (236) 468-1926.

Please quote file number 2017-04710 when contacting this office.

Signed on behalf of Provincial Approving Officer  
by



Kattia Woloshyniuk  
A/Senior Development Officer

**SCHEDULE C**  
**DRAFT BUILDING SCHEME**

## **BAYVIEW HILLS**

### **SCHEDULE OF RESTRICTIONS**

1. Unless specifically permitted in writing by the Developer, no person will commence or cause to be commenced any improvements or alterations of anysort, including without limitation, any:
  - (a) excavation or removal of any fill, trees or ground cover;
  - (b) application for development approval or a building permit;
  - (c) construction of any buildings or other improvements of whatsoever nature; or
  - (d) removal of any trees, foliage, ground-cover, other natural features or landscape treatment,on any of the Lots without first, submitting such plans and specifications for the improvements or modifications to the Developer or an approving agent designated by the Developer from time to time, for the prior written approval by the Developer.

Plans and specifications submitted for approval shall be in a form and content satisfactory to the Developer.
2. Without limiting the generality of section 1 or section 2:
  - (a) no structure of a temporary character, including mobile homes, recreational vehicles (RVs), camper trailers, tents, shacks or other outbuildings shall be used for residential purposes on a Lot;
  - (b) no construction trailers, field offices or the like may be brought onto a Lot without the prior written approval of the Developer. If so approved, temporary structures shall be located only in a location approved by the Developer and shall be removed within fifteen (15) days after completion of construction of the improvements on the Lot on which the structure is located;
  - (c) after a person commences construction of any improvements on a Lot upon complying with the requirements set out herein, such person shall not discontinue the construction of such improvements until the same are completed in all respects in accordance with the approved plans and specifications; and
  - (d) no owner of a Lot shall fail to substantially complete the construction of improvements as to their external appearance, including finished painting, and exterior landscaping, all in accordance with the approved plans and specifications, within the 18 month period after such owner obtains a building permit from the SCRD for the Improvements.
3. No visible billboard, placard, advertising or signage of any kind will be permitted within a Lot except for approved signage, and except for marketing signage of the Developer.
4. No person carrying out any works within a Lot shall damage sidewalks, curbs, landscape elements, gas lines, telephone lines, sewers, water lines, electrical distribution equipment or other utilities situate within a Lot, nor shall construct improvements (including, without limitation, driveways and fences) on a Lot that will impede or interfere with access of adjacent Lot owners to any underground services or utilities installed along the property line of two or more Lots.
5. No owner will permit any damaged Improvements to remain in their damaged state unless the owner is pursuing with all due diligence reasonable steps to either repair the damaged

Improvements to their pre-damaged condition or to completely remove the damaged Improvements and restore and clean-up the Lot in a good and workmanlike manner forthwith after such removal.

6. No material alteration to or modification, maintenance or repair of any improvements will be carried out unless plans and specifications are submitted to and approved by the Developer in accordance with this Building Scheme and unless the owner of a Lot complies with all other provisions of this Building Scheme in respect thereof as if they were new improvements.
7. The Developer reserves the right to exempt any Lot remaining undisposed of at the time the exemption takes effect from all or any of the restrictions and benefits herein.
8. If any provision of this Building Scheme is found by a court of competent jurisdiction to be void or unenforceable, such provision will be severed from this Building Scheme and the remaining provisions of this Building Scheme will remain in full force and effect.
9. The restrictions herein contained supplement and do not replace any restrictions imposed by the SCRD or any other government authority having jurisdiction over the charged lands.
10. The Developer is not responsible to ensure compliance with the terms of this Building Scheme by any Owner, nor is the Developer responsible to perform or not perform any of its rights or obligations granted under this Building Scheme.
11. No owner shall commence any proceedings to enforce the provisions of this Building Scheme unless they agree to be solely responsible for all costs, claims, losses, and damages that may arise from the Owner commencing the claim, and that may arise therefrom in the event the Owner is not successful in such claim.
12. The Developer shall not be responsible to abate or cure any breach of this Building Scheme by an Owner, and the abatement or cure will be the sole responsibility of the Owner.
13. This Building Scheme will expire and be of no further force or effect on the date which is 20 years after the date of the registration hereof in the Land Title Office.

**SCHEDULE D**  
**CONTRACT OF PURCHASE AND SALE**

Lot: \_\_\_\_\_

**BAYVIEW HILLS**

**AGREEMENT OF PURCHASE AND SALE**

**VENDOR:**

**COVE BAY DEVELOPMENTS INC.**, a corporation formed pursuant to the laws of British Columbia and having an office located at Suite 710-939 Homer St., Vancouver, British Columbia, V7B 2W6  
(the "**Vendor**")

**PURCHASER:**

Full Name: \_\_\_\_\_ Full Name: \_\_\_\_\_

Address: \_\_\_\_\_ Address: \_\_\_\_\_

Tel: \_\_\_\_\_ Tel: \_\_\_\_\_

Email: \_\_\_\_\_ Email: \_\_\_\_\_

SIN: \_\_\_\_\_ SIN: \_\_\_\_\_

This Purchaser \_\_\_\_\_ [is/is not] a resident in Canada for the purposes of the *Income Tax Act* (Canada).

This Purchaser \_\_\_\_\_ [is/is not] a resident in Canada for the purposes of the *Income Tax Act* (Canada).

This Purchaser \_\_\_\_\_ [is/is not] a foreign entity for the purposes of the *Property Transfer Tax Act* (British Columbia)

This Purchaser \_\_\_\_\_ [is/is not] a foreign entity for the purposes of the *Property Transfer Tax Act* (British Columbia)

\_\_\_\_\_  
(initial here)

(Such one or more parties being hereinafter referred to as the "**Purchaser**").

**PROPERTY:**

Proposed Lot \_\_\_\_\_ of Plan \_\_\_\_\_ (the "**Lot**") in the development known as "BAYVIEW HILLS" (the "**Development**"), to be constructed on the lands presently known and legally described as:

Parcel Identifier 015-931-901

BLOCK A (REFERENCE PLAN 1657), GROUP 1 NEW WESTMINSTER DISTRICT EXCEPT PORTIONS IN PLANS 7134, 7360, 7481 AND 7697 DISTRICT LOT 1427 (the "**Lands**")

**PURCHASE PRICE:**

The Purchase Price for the Lot will be \$ \_\_\_\_\_. The Purchase Price excludes all taxes payable upon the purchase of the Lot, including without limitation, Goods and Services Tax ("**GST**").



Lot: \_\_\_\_\_

- A. **Offer.** The Purchaser hereby offers to purchase from the Vendor the Lot for the Purchase Price and upon the terms set forth herein subject to the encumbrances (the "**Permitted Encumbrances**") referred to in the Disclosure Statement (as hereinafter defined). The Purchaser acknowledges that they are purchasing a lot which is to be constructed or is presently under construction.

\_\_\_\_\_  
(initial here)

- B. **Receipt of Disclosure Statement and Rental Disclosure Statement.** The Purchaser acknowledges that the Vendor has delivered and the Purchaser has received a copy of the Disclosure Statement (as defined in Section 5 of Addendum A attached hereto) and the Purchaser has been given a reasonable opportunity to read the Disclosure Statement prior to entering into this Agreement and the execution by the Purchaser of this Agreement constitutes a receipt confirming that the Purchaser received the Disclosure Statement and had a reasonable opportunity to read the Disclosure Statement. The Disclosure Statement contains provisions explaining the obligations of the owner for the Lot to pay annual contributions to costs of certain expenses. Purchaser acknowledges that the information in Section 7.2 of the Disclosure Statement regarding this Agreement has been drawn to the Purchaser's attention.

\_\_\_\_\_  
(initial here)

- C. **Electronic Delivery of Disclosure Statement and Amendments.** To the extent that the Vendor provided a copy of the Initial Disclosure Statement or a copy of any or all of the amendments to Disclosure Statement to the Purchaser by electronic means, including, without limitation, by e-mail to the e-mail address set out on page 1 hereof, the Purchaser hereby consents to such delivery by electronic means. The Purchaser hereby acknowledges and agrees that the Vendor may, in its discretion, deliver a copy of any amendment to Disclosure Statement which is filed in respect of the Disclosure Statement, including, without limitation, by e-mail to the e-mail address set out on page 1 hereof, and the Purchaser hereby consents to such delivery by electronic means.

\_\_\_\_\_  
(initial here)

- D. **Deposit.** The Purchaser will pay the following deposits to TONY BROWTON, PREC, RE/MAX CITY REALTY (the "**Vendor's Realtor**") in trust **by bank draft or certified cheque in the name of "RE/MAX CITY REALTY, IN TRUST"** to be held by them in accordance with the *Real Estate Development Marketing Act* (British Columbia) ("**REDMA**"):

THE FIRST DEPOSIT (the " <b>First Deposit</b> "), equal to TEN PERCENT (10%) of the Purchase Price due upon execution of this offer by Purchaser.	\$ _____
THE SECOND DEPOSIT (the " <b>Second Deposit</b> "), equal to an additional FIFTEEN PERCENT (15%) of the Purchase Price, due on or before fourteen (14) days following the filing of the Amendments to the Disclosure Statement described in Section 4 of Addendum A attached hereto which set out the particulars of the financing commitment.	\$ _____

\_\_\_\_\_  
(initial here)

The First Deposit and the Second Deposit are collectively referred to herein as the "**Deposit**".

\_\_\_\_\_  
(initial here)

Lot: \_\_\_\_\_

Interest on the Deposit will, in all cases, be for the benefit of the Vendor and will not be applied on account of the Purchase Price. Unless specifically otherwise provided herein, if the Purchaser defaults in the Purchaser's obligations hereunder, the Vendor may, at its option, retain the Deposit and all accrued interest thereon on account of damages without prejudice to any other remedy which the Vendor may have in respect of the Purchaser's default.

The Purchaser will pay the balance of the Purchase Price, subject to adjustments as described herein, on the Completion Date (as defined in Section 1 of Addendum A attached hereto) by way of solicitor's certified trust cheque or bank draft.

- E. **Completion, Possession and Adjustment Dates:** Are as set out in Addendum "A" attached hereto.
- G. **Acceptance.** This offer will be open for acceptance by the Vendor on presentation until withdrawn in writing by the Purchaser and upon acceptance by the Vendor signing a copy of this offer, there will be a binding agreement of sale and purchase (the "**Agreement**") in respect of the Lot for the Purchase Price, on the terms and subject to the conditions set out herein.

**THE TERMS AND CONDITIONS ATTACHED HERETO AS ADDENDUM "A" ARE PART OF THIS AGREEMENT. READ THEM CAREFULLY BEFORE YOU SIGN.**

**THE PURCHASER HAS EXECUTED THIS AGREEMENT THIS DATE OF: \_\_\_\_\_, 20\_\_\_\_.**

\_\_\_\_\_  
(Witness Signature)      (Witness Name)      (Purchaser Signature)      (Purchaser Name)

\_\_\_\_\_  
(Witness Signature)      (Witness Name)      (Purchaser Signature)      (Purchaser Name)

**THE PURCHASER'S OFFER TO PURCHASE CONTAINED HEREIN IS ACCEPTED BY THE VENDOR THIS DATE OF: \_\_\_\_\_, 20\_\_\_\_.**

**COVE BAY DEVELOPMENTS INC.** by its  
authorized signatory:

\_\_\_\_\_  
Authorized Signatory

**ADDENDUM "A"**

1. **Completion Date.** The Purchaser will deliver the balance of the Purchase Price, at the Purchaser's expense, by way of a solicitor's CERTIFIED TRUST CHEQUE or BANK DRAFT to the Vendor's Solicitors on the Completion Date (the "**Completion Date**"). The Completion Date will be that date set out in a notice given by the Vendor or the Vendor's Solicitors to the Purchaser or the Purchaser's solicitors/notary (the "**Purchaser's Solicitors**") as a date on which the Lot is or will be ready and title will be issued by the applicable Land Title Office (the "**LTO**"), provided that the Vendor or the Vendor's Solicitors will not give less than 14 days' notice thereof. Whether the Lot is ready refers to the Lot and not any other lot or common property within the Development and the Lot will be deemed to be ready on the Completion Date if: the LTO has issued a separate title for the Lot. If the Completion Date is a Saturday, Sunday, holiday or a day upon which the applicable Land Title Office is not open for business, the Completion Date will be the next business day upon which the LTO is open for business. The notice of the Completion Date delivered from the Vendor or the Vendor's Solicitors to the Purchaser or the Purchaser's Solicitors may be based on the Vendor's estimate as to when the Lot will be ready and title will be issued such that title is ready to be conveyed to the Purchaser. If the Lot is not ready or titles have not been issued by the LTO on the Completion Date so established, then the Vendor may delay the Completion Date from time to time as required, by notice of such delay to the Purchaser or the Purchaser's Solicitors. If the Completion Date has not occurred by October 1, 2023 (the "**Outside Date**"), then this Agreement will be terminated on the Outside Date, the Deposit paid by the Purchaser will be returned to the Purchaser and the parties will be released from all of their obligations.

The Vendor confirms that it currently estimates that the Completion Dates for the Lots will occur between October 30, 2022 and January 30, 2023.

The Purchaser acknowledges that these dates have been provided by the Vendor as a matter of convenience only, they are not meant to be legally binding upon the Vendor and that the actual Completion Dates will be established in the manner set out above. The Purchaser further acknowledges that the estimated date for completion of the Development set out in the Disclosure Statement for the Development is an estimate only and may be amended from time to time.

2. **Conveyance.** A vendor's statement of adjustments and a freehold transfer (the "**Transfer**") for the Lot and, if required by the Vendor, a certificate as to the GST registered status of the Purchaser, are to be prepared and delivered at the Purchaser's expense to the office of the Vendor's Solicitors by the Purchaser's Solicitors at least 3 business days prior to the Completion Date. The Vendor will execute and deliver or cause to be executed and delivered such statement of adjustments and Transfer to the Purchaser's Solicitors on or before the Completion Date on the condition that, forthwith upon the Purchaser's Solicitors obtaining a post-filing title search from the LTO indicating that, in the ordinary course of LTO procedure, the Purchaser will become the registered owner of the Lot (subject only to the Permitted Encumbrances and charges for which the Purchaser is responsible), the Purchaser will cause payment of the balance of the Purchase Price due on the Completion Date by way of certified solicitor's trust cheque or bank draft to be made by the Purchaser's Solicitors to the Vendor's Solicitors. The Transfer of the Lot will also be subject to the Vendor's financing arranged in connection with the Development or any builders' lien claims provided that the Vendor's Solicitors undertake to clear title to the Lot of all encumbrances related to such financing and such builders' liens claims within a reasonable period of time after receiving the balance of the Purchase Price due on the Completion Date. The Purchaser acknowledges that the Vendor's financing may remain as a charge against the common property of the Development and against the Vendor in the Personal Property Registry until the Vendor has completed the sale of the balance of the lots in the Development whereupon the Vendor covenants such financing will be discharged entirely.

If the Purchaser is relying upon a new mortgage to finance the Purchase Price, the Purchaser, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Vendor until after the Transfer and new mortgage documents have been lodged for registration in the LTO, but only if, before such lodging, the Purchaser has: (a) made available for tender to the Vendor that portion of the Purchase Price not secured by the new mortgage; (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration; and (c) made available to the Vendor a solicitor's or notary's undertaking to pay the Purchase Price upon the lodging of the Transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds.

3. **Deposit.** The Deposit will be dealt with by the Vendor's Realtor as follows:
  - (a) the Deposit, or any portion thereof, received under the terms of this Agreement will be held by the Vendor's Realtor in a trust account in accordance with the provisions of REDMA;
  - (b) if the Purchaser completes the purchase of the Lot on the terms and conditions contained herein, then the Deposit will be applied to the Purchase Price and be paid to the Vendor, and any accrued interest thereon will be paid to the Vendor not on account of the Purchase Price;
  - (c) if the Purchaser fails to pay any portion of the Deposit when required hereunder or fails to complete the purchase of the Lot, then the Vendor may elect to terminate this Agreement and, in such event, the Deposit and any accrued interest

P1: \_\_\_\_\_ P2: \_\_\_\_\_

thereon will be non-refundable and be absolutely forfeited to the Vendor; or

- (d) if the Vendor fails to complete the sale of the Lot, then the portion of the Deposit paid by the Purchaser will be paid to the Purchaser (but all accrued interest thereon will be retained by the Vendor) and the Purchaser will have no further claims against the Vendor.

The payment to the Vendor of the Deposit, or any portion thereof, and any accrued interest thereon where so required, pursuant to Section 3(c) or 8 hereof will not be deemed to be all inclusive liquidated damages and will not preclude any further claims or remedies by the Vendor against the Purchaser arising pursuant thereto. The return to the Purchaser of the Deposit or portion thereof and any accrued interest thereon will be the Purchaser's sole and exclusive remedy, and the Purchaser will have no further claims against the Vendor.

#### 4. Disclosure Statement and Amendment to Disclosure Statement.

- (a) In this Agreement: (i) **"Initial Disclosure Statement"** means the initial Disclosure Statement dated \_\_\_\_\_, 2021 filed with the Superintendent of Real Estate with respect to the Development; and (ii) **"Disclosure Statement"** means, collectively, the Initial Disclosure Statement together with and as amended by any and all amendments to Disclosure Statement filed from time to time with respect to the Initial Disclosure Statement.
- (b) Pursuant to Policy Statement 6 (**"PS6"**) issued by the Superintendent of Real Estate, a developer may file a Disclosure Statement and market lots prior to obtaining an unconditional offer to finance provided that an amendment with respect to PS6 disclosing the particulars of the financing to the Disclosure Statement for the development is filed within nine months of the developer filing the Initial Disclosure Statement and subject to the conditions, set out below. The Vendor and the Purchaser acknowledge and agree that the Lot is being offered subject to PS6.
- (c) If the required Amendment, referred to in Section 4(b) hereof, have not been filed prior to the date the Purchaser has executed this Agreement, then notwithstanding anything else herein contained the following applies:
- i. pursuant to PS6, if an amendment to the Disclosure Statement that sets out particulars of a satisfactory financing commitment is not received by the Purchaser within 12 months after the Initial Disclosure Statement was filed, the Purchaser may at his or her option cancel the purchase agreement at any time after the end of that 12 month period until the required amendment is received by the Purchaser;
  - ii. pursuant to PS6, the amount of a deposit to be paid by a purchaser who has not yet received an amendment to the Disclosure Statement that sets out particulars of a satisfactory financing commitment is no more than 10% of the purchase price;
  - iii. upon notice of cancellation from the Purchaser pursuant to section 4(c)(i) above, all deposits paid by a purchaser, including interest earned if applicable, will be returned promptly to the Purchaser;
  - iv. all monies received by the Vendor will be held in trust by a brokerage, a solicitor, or a notary public until the transaction is completed or earlier terminated; and
  - v. the Purchaser will, from time to time, forthwith upon receipt from the Vendor of a copy of any amendment to Disclosure Statement filed in respect of the Disclosure Statement, including the Amendments, execute and deliver to the Vendor a receipt, in a form to be provided by the Vendor, pursuant to which the Purchaser confirms that it received a copy of such amendment to Disclosure Statement.

5. **Rescission Rights.** 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 seven days after the later of the date the contract was entered into or the date the purchaser or lessee received a copy of the Disclosure Statement.

The rescission notice may be served by delivering or sending by registered mail, a signed copy of the notice 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.

6. **Possession, Risk and Adjustment.** The Purchaser will assume all taxes, rates, local improvement assessments, water rates and scavenging rates, assessments of the strata corporation of which the Lot forms a part, and all other adjustments both incoming and outgoing of whatever nature in respect of the Lot will be made as of the date the balance of the Purchase Price is due. The Lot is to be at the risk of the Vendor to and including the day preceding the Completion Date, and thereafter at the risk of the Purchaser. So long as the Purchase Price and all other amounts payable by the Purchaser to the Vendor in respect of the Lot have been paid in full, the Purchaser may have possession of the Lot on the day following the Completion Date (the "**Possession Date**"). The Purchaser is responsible for all utility charges as of the Possession Date and must ensure they notify the necessary utility companies to have the utilities transferred into the Purchaser's name on the Possession Date.
7. **Builders' Lien Holdback.** That portion, if any, of the balance of the Purchase Price required by law to be held back by the Purchaser in respect of builders' lien claims (the "**Lien Holdback**") will be paid to the Vendor's Solicitors on the Completion Date. The Lien Holdback will be held in trust for the Purchaser pursuant to the *Builders Lien Act* (British Columbia) (or successor statutes) solely in respect of lien claims registered in the LTO in connection with work done at the behest of the Vendor. The Vendor's Solicitors are authorized to invest the Lien Holdback in an interest bearing trust account to accrue interest for the benefit of the Vendor, and to pay to the Vendor (or as directed by the Vendor), on the earlier of (i) the date on which the time for filing a claim of lien under the *Builders Lien Act* expires; and (ii) the date which is 55 days after the date that the balance of the Purchase Price becomes due as aforesaid, the Lien Holdback plus interest, if any, accrued thereon, less the amount of any builders' lien claim filed against the Lot of which the Purchaser or the Purchaser's Solicitors notify the Vendor's Solicitors in writing by 1:00 p.m. on that day. The Purchaser hereby authorizes the Vendor and the Vendor's Solicitors to do all things necessary to discharge any builder's liens, including bringing court proceedings in the name of the Purchaser, provided that any such proceeding will be at the sole expense of the Vendor.
8. **Time of Essence.** Time will be of the essence hereof and unless all payments on account of the Purchase Price, (including, without limitation, any portion of the Deposit or the balance of the Purchase Price) together with adjustments thereto as provided herein and all other amounts payable hereunder are paid when due, then the Vendor may, at its option:
  - (a) terminate this Agreement by written notice to the Purchaser and, in such event, the portion of the Deposit paid by the Purchaser and any accrued interest thereon will be absolutely forfeited to the Vendor without prejudice to the Vendor's other remedies and the Vendor's Solicitors are hereby irrevocably authorized and directed by the Purchaser to pay the amount held by them and such interest as may have accrued thereon to the Vendor upon written demand therefore by the Vendor; or
  - (b) elect to extend the date for payment or the Completion Date, as applicable, to a certain date determined by the Vendor, time to remain of the essence hereof and subject to the Vendor's right in its sole discretion, to grant further extensions to a certain date each time, in which event the Purchaser will pay to the Vendor, in addition to the Purchase Price, interest on the unpaid portion of the Purchase Price and other unpaid amounts payable hereunder at the rate of 2% per month (24% per annum), calculated daily and compounded monthly not in advance (effective annual rate of 26.82%), from the date upon which such portion and amounts were due to the date upon which such portion and amounts are paid.

The Vendor may cancel this Agreement pursuant to Section 8(a) or grant one or more further extensions pursuant to Section 8(b) at any time after extending the date for payment or the Completion Date, as the case may be, pursuant to Section 8(b) if the Purchaser fails to make such payment or to complete on or before such extended date.

9. **Entire Agreement/Representations.** The Purchaser acknowledges and agrees that this Agreement constitutes the entire agreement between the parties with respect to the sale and purchase of the Lot and supersedes any prior agreements, negotiations or discussions, whether oral or written, of the Vendor and the Purchaser, and that there are no representations, warranties, conditions or collateral contracts, expressed or implied, statutory or otherwise, or applicable hereto, made by the Vendor, or its respective agents or employees, or any other person on behalf of the Vendor, other than those contained herein and in the Disclosure Statement. The Purchaser acknowledges that the sales brochures, models, websites, representative view sets, photographs, illustrations or renderings or other marketing materials provided to the Purchaser or made available for its viewing do not in any way constitute a representation or warranty. In particular, the Purchaser acknowledges and agrees that the designs, landscaping, materials, specifications, details, gates, security features, water features, and other features set out in any materials viewed by the Purchaser are subject to change without notice, at the Vendor's sole discretion.

10. **Changes to the Development and the Lot / Purchaser Acknowledgements.** The Purchaser acknowledges and agrees:
- (a) that the Vendor reserves the right to reconfigure the Development by altering the location of some of the lots relative to other lots and changing the number of lots, all as determined by the Vendor in its sole discretion. The Purchaser also acknowledges and agrees that the Vendor may from time to time, in its sole discretion, or as required by any governmental authority, change, vary or modify the plans and specifications pertaining to the property, the Development or the Lot (including engineering, landscaping, grading, mechanical, site service or other plans) from the plans and specifications as they exist at the time the Purchaser has entered into this Agreement. The Purchaser acknowledges that the area of the Lot as shown on the Subdivision Plan to be filed in the LTO upon completion of the Development may vary from the figures shown on the Draft Subdivision Plan attached to the Disclosure Statement and in the marketing materials for the Development. The actual size, dimension and/or configuration of the lots, and/or future lots created may vary from what is depicted on the Draft Subdivision Plan. The areas and dimensions of the lots in the Development set out in the sales brochures or other marketing materials are provided for information purposes only and are not represented as being the actual final areas and dimensions of the lots in the Development. In the event of any discrepancy as between the area, size, dimensions, location and/or configuration of the lots, and/or other property in the Draft Subdivision Plan and the Subdivision Plan, the Subdivision Plan will prevail;
  - (b) the Purchase Price set forth herein for the Lot is based on the area as set out in the Draft Subdivision Plan (the "**Area**") for the Lot. In the event the actual area of the Lot is more than 5% smaller than the Area (the "**Variance**"), the Purchase Price will be decreased by the Adjustment Factor (as hereinafter defined) times the number of square feet equal to that part of the Variance which is more than 5% smaller than the Area. In this Section 10, "**Adjustment Factor**" means the price per square foot determined by dividing the Purchase Price by the Area. In the event the actual square footage of the Lot decreases by no more than 5% of the Area, there will be no adjustment to the Purchase Price. The actual area of the Lot will be conclusively determined by the Subdivision Plan registered in the LTO;
  - (c) the municipal address of the Development and the Lot are subject to change as determined by the Vendor or the District, at their sole discretion; and
  - (d) the Completion Date may be any day up to and including the Outside Date and the Purchaser releases the Vendor and its affiliates from any actions, causes of action, costs, claims, demands and liabilities arising as a result of the date on which the Completion Date occurs.
11. **Inspection.** The Lot will be jointly inspected by the Purchaser or his or her representative and a representative of the Vendor at a reasonable time designated by the Vendor by written notice or telephone call to the Purchaser prior to the Completion Date. The Purchaser may waive this inspection in writing and, if so waived, the Purchaser will be deemed to be satisfied with and to have accepted the Lot its condition on the Completion Date regardless of the fact that the Purchaser may not have viewed the Lot. The Purchaser will be deemed to have waived the inspection if the Vendor is unable to reach the Purchaser for the purposes of scheduling the inspection after reasonable attempts to do the same, and the Purchaser will be deemed to have waived the inspection if the Purchaser does not attend the inspection at the scheduled inspection time.
12. **Costs / GST and Taxes.** The Purchaser will pay all costs in connection with the sale and purchase of the Lot including GST and the other taxes required to be paid by the Purchaser in connection with the purchase and sale of the Lot, other than the costs of the Vendor incurred in clearing title to the Lot. The Purchase Price specifically does not include GST, or any other tax payable upon the purchase of the Lot, such as value-added, sales or other tax imposed on the transaction, including property transfer tax and any additional property transfer tax payable if the Purchaser is a foreign entity, a taxable trustee or both. The Purchaser will pay the required GST and other taxes payable upon the purchase of the Lot in addition to the Purchase Price on the Completion Date whether remitted to the Vendor or directly to the taxing authority, if applicable. The Vendor agrees that it will remit the GST and other taxes that are collected by the Vendor, or otherwise account for such funds, to the Canada Revenue Agency (the "**CRA**") or other applicable taxing authority in accordance with its obligations under Part IX of the *Excise Tax Act* (Canada) or other applicable law. Notwithstanding the foregoing, if the Purchaser is a corporation, trust or partnership which is registered for GST purposes and, on or before the Completion Date, the Purchaser provides the Vendor with a certificate in the customary form as to the GST registered status of the Purchaser containing the Purchaser's GST registration number, the Purchaser will not be required to pay the GST to the Vendor but will be liable for, will self-assess and will remit same directly to CRA. The Purchaser will indemnify and save harmless the Vendor from and against any and all GST, penalties, costs and/or interest which may become payable by or assessed against the Vendor as a result of any failure by the Purchaser to comply with the foregoing and such indemnity will survive and not merge upon closing of the sale of the Lot contemplated herein. The foregoing indemnity will be included in the certificate as to the GST registered status of the Purchaser.

13. **Assignment.** Without the Vendor's prior consent, any assignment of the Contract is prohibited.

An assignment under the *Real Estate Development Marketing Act* ("REDMA") is a transfer of some or all of the rights, obligations and benefits under a purchase agreement made in respect of a lot in a development property, whether the transfer is made by the Purchaser under the purchase agreement to another person or is a subsequent transfer.

Each proposed party to an assignment agreement (each such agreement being an "**Assignment Agreement**") must provide the Developer with the information and records required under REDMA.

Before the Vendor consents to an assignment of a purchase agreement, the Vendor will be required to collect information and records under REDMA from each proposed party to an assignment agreement, including personal information, respecting the following:

- (i) the party's identity;
- (ii) the party's contact and business information; and
- (iii) the terms of the assignment agreement.

Information and records collected by the Vendor must be reported by the Vendor to the administrator designated under the *Property Transfer Tax Act* (British Columbia). The information and records may only be used or disclosed for tax purposes and other purposes authorized by section 20.5 of REDMA, which includes disclosure to the Canada Revenue Agency.

The Purchaser may only assign the Purchaser's interest in this Agreement only if:

- (i) all Deposit payments required to be paid on or before the proposed date of assignment have been paid;
- (ii) the Purchaser has obtained the prior written consent of the Vendor, which consent may be unreasonably withheld in the Vendor's sole discretion; and
- (iii) the Vendor has received the information set out in 13(i), 13(ii) and 13(iii) of this Agreement.

Any request for the consent of the Vendor to the assignment of the Purchaser's interest in this Agreement must be made via the Vendor's Solicitors to the Address for Service shown on the Disclosure Statement. If the Vendor consents to the proposed assignment, the Purchaser will pay to the Vendor an administration fee (the "**Assignment Fee**") in the amount of two percent (2%) of the aggregate of the original Purchase Price and any additional consideration paid by the assignee to the Purchaser, plus GST, for an Assignment Agreement, as consideration for agreeing to the Assignment Agreement and for any associated legal and administrative costs. In the event that the Purchaser wishes to assign its rights under this Agreement to the Purchaser's spouse, or to a member of the Purchaser's immediate family (which will be deemed to include only the parents and children of the Purchaser), or to a company which is wholly owned by the Purchaser, the Vendor may, in its sole discretion, waive all or a portion of the Assignment Fee, but only on the condition that the Purchaser first provide the Vendor's solicitors with a statutory declaration sworn by the Purchaser setting out the particulars of the relationship between the Purchaser and the assignee in sufficient detail as to be reasonably satisfactory to the Vendor's solicitors. In connection with any assignment of this Agreement, the Purchaser and its assignee may be required to execute the Vendor's standard assignment documents and to confirm that such assignment is not an "anti-avoidance transaction" within the meaning of the *Property Transfer Tax Act* (British Columbia). The Purchaser will not advertise or solicit offers from the public nor list the Lot on the Multiple Listing Service with respect to the resale of the Purchaser's interest in the Lot prior to the Closing Date, without the prior written consent of the Vendor, which consent may be refused by the Vendor in the Vendor's sole discretion.

The Purchaser acknowledges and agrees that, under REDMA, the Vendor may be required to collect and keep certain confidential information and records related to the identity of the assignee, the contact and business information of the assignee, and the assignment terms (the "**Assignment Information**") before the Vendor consents to an assignment. The Purchaser confirms it will provide, and will cause its assignee to provide, the Assignment Information to the Vendor if required.

14. **Successors & Assigns.** This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors, permitted assigns, heirs, administrators and executors.

15. **Governing Law.** This offer and the Agreement which will result from its acceptance will be exclusively governed by and construed in accordance with the laws of the Province of British Columbia and the parties agree to attorn to the exclusive jurisdiction of the courts of the Province of British Columbia.

16. **Contractual Rights.** This offer and the Agreement which results from its acceptance create contractual rights only and do not create an interest in land and will not be registered in the LTO. The Purchaser will acquire an interest in land only upon completion of the purchase and sale contemplated herein.
17. **Personal Information.** The Purchaser and the Vendor hereby consent to the collection, use and disclosure by the Vendor and its agents, the Purchaser's real estate agent (if any), the real estate boards of which those agents and salespersons are members and, if the Strata Lot is listed on a Multiple Listing Service, the real estate board that operates that Multiple Listing Service, of personal information about the Purchaser and the Vendor:
- (a) to complete the transaction contemplated by this Agreement;
  - (b) to facilitate the completion and management of the Development including the transfer of management of the Development to a property manager;
  - (c) 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;
  - (d) to disclose such personal information to the Vendor's affiliates, assignees, business partners, bankers, lawyers, accountants, insurers, warranty providers, relevant government authorities or agencies (including the LTO and CRA) and other advisors and consultants in furtherance of any of the foregoing purposes;
  - (e) if the Lot is listed on a Multiple Listing Service, for the purpose of the compilation, retention and publication by the real estate board that operates the Multiple Listing Service and other real estate boards of any statistics including historical Multiple Listing Service data for use by persons authorized to use the Multiple Listing Service of that real estate board and other real estate boards;
  - (f) for enforcing codes of professional conduct and ethics for members of real estate boards;
  - (g) 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; and
  - (h) to comply with both the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and regulations, rules and policies thereunder or related thereto, and other applicable laws and to comply with the *Freedom of Information and Privacy Act* (British Columbia) and regulations, rules and policies thereunder or relating thereto.

The Purchaser covenants and agrees to provide, and cause any third parties to provide, to the Vendor, the Vendor's Solicitors and the Vendor's agents, promptly upon request, any additional personal or other information not contained 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 information.

18. **Vendor's Right to Terminate.** The Vendor may in its sole discretion terminate this Agreement if the Vendor has reasonable grounds to suspect that any part of the transaction contemplated by this Agreement is related to the commission or attempted commission of a "money laundering offence" or a "terrorist activity financing offence", as defined in the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and regulations under that Act, as amended from time to time, in which event the portion of the Deposit that has been paid will be returned to the Purchaser (but all accrued interest thereon will be retained by the Vendor) and the Purchaser will have no further claims against the Vendor.
19. **Notices and Tender.** Any notice to be given to the Purchaser will be sufficiently given if either deposited in any postal receptacle in Canada addressed to the Purchaser at the Purchaser's address set out above, or the Purchaser's Solicitors at their offices, and sent by regular mail, postage prepaid, or if delivered by hand or if transmitted by electronic mail ("email") or facsimile ("fax") to the Purchaser's Solicitors at their office, or to the Purchaser at the email address or fax number set out above. Such notice will be deemed to have been received if so transmitted by email or fax to the Purchaser, on the date of delivery as set out on the notice, and if mailed, on the second business day (exclusive of Saturdays, Sundays and statutory holidays) after the postage stamp date of such mailing. The civic address, email address and fax number (if any) for the Purchaser will be as set out above, or such other email address or fax number the Purchaser has last notified the Vendor in writing, which updated records will be required to be provided by the Purchaser to the Vendor or its agents until the Completion Date, under the terms of this Agreement. 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 Solicitors in the same manner, and will 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 will be tendered by way of certified funds or bank draft and will be delivered at the Purchaser's expense to the Vendor or the Vendor's Solicitors.



20. **Agency.** The Vendor and the Purchaser acknowledge and confirm as follows:

(a) the Vendor has an agency relationship with:

TONY BROWTON, PREC\*, who is licensed in relation to RE/MAX CITY REALTY, 101-938 Gibsons Way, Gibsons, B.C., V0N 1V7

and

(b) the Purchaser has an agency relationship with:

\_\_\_\_\_ who is licensed in relation to \_\_\_\_\_.  
 Licensee Brokerage

**If Subsection 20(b) has not been completed, the Purchaser is acknowledging no agency relationship.**

The Purchaser understands and acknowledges that the Purchaser has no agency relationship with Anthony Browton, PREC\*. The Purchaser further understands and acknowledges that the licensed agents of RE/MAX CITY REALTY do not represent the Purchaser as agent or in any capacity. The Purchaser acknowledges and agrees that if Subsection 20(b) has not been completed Tony Browton or a licensed broker working for Tony Browton, PREC\*, or agent of RE/MAX CITY REALTY engaged by the Vendor, provided the Purchaser with, and explained the contents of, the Disclosure of Representation in Trading Services and Disclosure of Risks to Unrepresented Parties forms established by the Real Estate Council of British Columbia prior to being presented with this Agreement and prior to such licensee requesting or receiving any confidential information relating to the Purchaser or providing any trading services to the Purchaser (as defined in the *Real Estate Services Act* (British Columbia)). The Purchaser may wish to obtain independent advice in respect of this Agreement and the transactions contemplated herein.

21. **Residency of Vendor.** The Vendor represents and warrants to the Purchaser that it is not a non-resident of Canada within the meaning of the *Income Tax Act* of Canada.

22. **Currency.** All payments and monetary amounts set out herein will be in Canadian funds. If payment is made in a currency other than Canadian funds, the Vendor will have the option, at its sole and absolute discretion, to convert the payment to Canadian funds, and the Purchaser will be credited with the Canadian funds actually received upon the conversion less any banking fees and other reasonable service charges that may be levied by the Vendor, Vendor's Solicitor, or their agents. The Vendor, Vendor's Solicitor, and their agents will not be responsible for any delay in converting the payment, or for any fluctuation in exchange rates or banking fees or charges in connection thereto.

23. **No Waiver.** Failure by any party hereto to insist in any one or more instances upon the strict performance of any one of the covenants contained herein will not be construed as a waiver or relinquishment of such covenant. No waiver by any party hereto of any such covenant will be deemed to have been made unless expressed in writing and signed by the waiving party.

24. **Enforceability.** The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provision hereof and any such invalid or unenforceable provision will be deemed to be severable.

25. **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 will be deemed to have been given at the same time to each other such party.

26. **Execution of Counterparts and by Electronic or Facsimile Delivery.** This Agreement may be executed by the parties in counterparts or transmitted by email or fax, or both, and if so executed and delivered, or if so transmitted electronically or by facsimile, 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 single original agreement.

27. **Further Assurances.** The parties hereto will 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 Agreement.

28. **Addendum.** The Addendum(s) attached hereto and signed by the Vendor and the Purchaser form(s) part of this Agreement.