

FIRST AMENDMENT TO DISCLOSURE STATEMENT

Date of Disclosure Statement: February 11, 2019

Date of any prior Amendments: N/A

Date of this Amendment: March 11, 2020

Name of Development: "THE BLUFFS AT SKAHA"

Name of Developer: THE BLUFFS AT SKAHA LIMITED
PARTNERSHIP by its General Partner: THE
BLUFFS AT SKAHA G.P. INC.

Developer's Address for Service in BC: #200- 8120 128 Street
Surrey, B.C. V3W 1R1

Developer's Business Address: #200- 8120 128 Street
Surrey, B.C. V3W 1R1

Name and Business Address of
any Real Estate Brokerage acting
on behalf of the Developer: Philip Fox PREC, Diane Fox PREC,
Stephen Fox PREC
Fox & Fox Real Estate Team of RE/MAX
Penticton Realty

NOTE: If the developer intends to use its own employees to market the strata lots, disclose whether the employees are licensed under the Real Estate Services Act and whether they are acting on behalf of the purchaser.

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.

The Disclosure Statement dated February 11, 2019 is amended by Amendment dated March 11, 2020 is amended as follows:

1. Page 1 of the Disclosure Statement the Agent for the Developer for the marketing of the Strata Lots are:

Philip Fox PREC, Diane Fox PREC, Stephen Fox PREC
Fox & Fox Real Estate Team of RE/MAX Penticton Realty

2. Page 4 Policy Statement 6 - Financing is deleted in its entirety;
3. Page 13 Section 3.8 (a) of the Disclosure Statement is deleted in its entirety and replaced with the following:

(a) water/sewer

4. Page 16 Section 5.1 of the Disclosure Statement is deleted in its entirety and replaced with the following:

The Construction of the Development commenced on February 24, 2020.

The Developer estimates that construction will be complete between November 30, 2020 to February 28, 2021.

The estimated date for completion of construction of the Development is an estimate only and may vary. It should not be relied upon by purchasers for determining the closing date for their purchases. The closing dates for the purchase and sale of each Strata Lot will be determined in accordance with the purchase agreement for such Strata Lot and such closing dates may occur sooner or later than the estimated date for completion of construction of the Development indicated above.

5. Page 16 Section 6.1 of the Disclosure Statement, the first paragraph is deleted in its entirety and replaced with the following:

The City of Penticton approved the Hillside Hazard Development Permit PL2019-8650 Re: 3200 Evergreen Drive by way of Regular meeting by Council held February 4, 2020, which is attached to this Amendment as Exhibit "A".

6. Page 17 Section 6.2 of the Disclosure Statement is deleted in its entirety and replaced with the following:

Construction financing is in place with First West Credit Union. Mortgage and Assignment of Rents have been registered in the Kamloops Land Title Office under No. CA8090471 and CA8090472.

The Developer does not anticipate the need for additional financing to complete the Development.

7. Page 17 Section 7.2 (f) of the Disclosure Statement is deleted in its entirety and replaced with the following:

Paragraph 2 of Schedule A of the Purchase Contract provides that the Buyer may terminate the Purchase Contract on 30 days' written notice to the Developer if Completion has not occurred on or before May 31, 2021 (the "Outside Date").

8. Page 17 Section 7.2 (h) of the Disclosure Statement the first paragraph is deleted in its entirety and;

Paragraph 2 of Schedule A of the Purchase Contract provides that the Developer will set out the Completion Date in a written notice ("Completion Date Notice") delivered to the Buyer or its solicitor/notary. The Completion Date Notice will be delivered within 31 days of the date the Developer has notice that the Property has been substantially serviced as determined by the Developer's Civil Engineer. The Complete Date shall be a minimum of 14 days after and a maximum of 28 days after the date on which the Developer delivers the Completion Date Notice to the Buyer or its solicitor/notary public. The Completion Date will be on a date that is, subject to certain provisions in the Purchase Contract, on or before November 30, 2020 (the "Estimated Date").

9. Exhibit "G" (Copy of Contract of Purchase and Sale) is deleted in its entirety and replaced with the Exhibit "G" Contract of Purchase and Sale attached to this Amendment.

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.

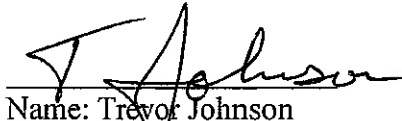
DECLARATION:

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 March 11, 2020.


THE BLUFFS AT SKAHA LIMITED PARTNERSHIP

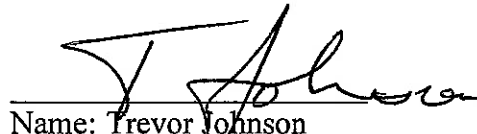
By its authorized signatory(ies):


Name: Lorenzo Arcari


Name: Trevor Johnson

Directors in their personal capacities:



Name: Lorenzo Arcari


Name: Trevor Johnson

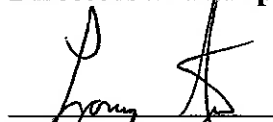
THE BLUFFS AT SKAHA G.P. INC.

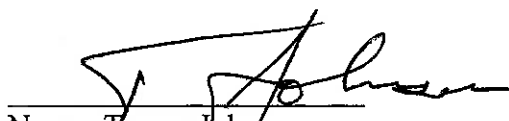
By its authorized signatory(ies):


Name: Lorenzo Arcari


Name: Trevor Johnson

Directors in their personal capacities:


Name: Lorenzo Arcari


Name: Trevor Johnson

NOTE: If an Amendment amends any section of a Disclosure Statement certified in the existing Solicitor's Certificate, the Amendment must be accompanied by a further Solicitor's Certificate that certifies the contents of the revised section are correct. It is not necessary to attach the further Solicitor's Certificate to the Amendment. Alternatively, if an Amendment does not amend any section certified in the existing Solicitor's Certificate, it is not necessary to submit a further Solicitor's Certificate.



Council Outcome

Regular Meeting Held February 4, 2020

10.3 Hillside Hazard Development Permit PL2019-8650
Re: 3200 Evergreen Drive

31/2020

It was MOVED and SECONDED

THAT Council approve "Hillside Hazard Development Permit PL2019-8650", a permit to allow for the development of a 40 unit residential development for Lot 1, District Lots 190 and 2710, Similkameen Division Yale District, Plan KAP74449, located at 3200 Evergreen Drive.

CARRIED UNANIMOUSLY

EXHIBIT "G"
THE BLUFFS AT SKAHA
CONTRACT OF PURCHASE AND SALE

Strata Lot: _____

THIS CONTRACT made as of the _____ day of _____, 20____ between:

the "Seller": **THE BLUFFS AT SKAHA G.P. INC.**
1500 Bishop Road
White Rock, BC V4B 3K7

Telephone: _____

and

the "Buyer": Buyer 1 Mr. / Mrs. / Ms. / Dr.
First Name: _____
Last Name: _____
Address: _____

Telephone (Home): _____
Telephone (Work): _____
E-mail: _____

Buyer 2 Mr. / Mrs. / Ms. / Dr.
First Name: _____
Last Name: _____
Address: _____

Telephone (Home): _____
Telephone (Work): _____
E-mail: _____

PROPERTY:

Strata Lot: _____

(the "Property"), the approximate boundaries of which are shown on Exhibit A to the Disclosure Statement for the development known as "THE BLUFFS AT SKAHA.", to be created by plan of subdivision of:

- PID: 025-796-020
Lot 1 District Lots 190 and 2710 Similkameen Division Yale District Plan KAP74449

situated, lying and being in the City of Penticton, Province of British Columbia (the "Lands")

Initials

Buyer	Buyer	Seller
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THE BLUFFS AT SKAHA
CONTRACT OF PURCHASE AND SALE

Strata Lot: _____

The Buyer agrees to purchase the Property from the Seller on the following terms and subject to the following conditions:

1. **PURCHASE PRICE.** The purchase price (the “Purchase Price”) for the Property will be _____
_____ DOLLARS (\$) _____) and will exclude all GST
(as such terms are hereinafter defined and as described more particularly herein).

2. **PAYMENT OF PURCHASE PRICE.** The Purchase Price will be paid by the Buyer in lawful money of Canada as follows:
 - (a) an initial deposit (the “Initial Deposit”) equal to \$1,000.00, to be paid within 72 hours of acceptance, not to include weekends or statutory holidays, of this offer to RE/MAX Penticton Realty in trust;
 - (b) a second deposit (the “Second Deposit”) equal to \$ _____, to be paid within 72 hours upon final removal or waiver of conditions, not to include weekends or statutory holidays, to RE/MAX Penticton Realty in trust (the Initial Deposit and the Second Deposit collectively referred to as the “Deposits”); and
 - (c) the balance of the Purchase Price, as adjusted pursuant to Section 3 of Schedule “A” (the attached Additional Contract Terms Addendum), to be paid on the Closing Date (as hereinafter defined) by bank draft, solicitors trust cheque or certified cheque drawn on a Canadian chartered bank or trust company or other financial institution acceptable to the Seller.

All monies paid pursuant to this section will be paid in accordance with section 9 and will be delivered in trust to the RE-MAX Penticton Realty and held in trust in accordance with the provisions of the *Real Estate Services Act*. In the event the Buyer fails to pay the Deposits as required by this Contract, the Seller may, at the Seller’s option, terminate this Contract. The party who receives the Deposits is authorized to pay all or any portion of the Deposits to the Buyer’s or Seller’s conveyancer (the “Conveyancer”) without further written direction of the Buyer or Seller, provided that: (a) the Conveyancer is a lawyer or Notary; (b) such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and (c) if the sale does not complete, the money should be returned to such party as stakeholder or paid into Court. The Deposit will be held by RE/MAX Penticton Realty in a non-interest bearing trust account in accordance with the *Real Estate Development Marketing Act* (British Columbia). The Buyer will not be entitled to any interest on the Deposit.

3. **TERMS AND CONDITIONS:** The purchase and sale of the Property includes the following terms and is subject to the terms and conditions set out in Schedule “A” hereto.

4. **COMPLETION:** The Completion for the purchase and sale of the Property will be as set out in Schedule “A” (the “Completion Date”).

5. **POSSESSION:** The Buyer will have vacant possession of the Property on the day following the Completion Date (the “Possession Date”). The Buyer shall not be entitled to receive the Property until all payments required have been received by the Seller’s Lawyer.

6. **ADJUSTMENTS:** The Buyer will assume and pay all taxes, rates local improvements assessments, and other charges from, and including the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of the Completion Date (the “Adjustment Date”).

Initials

Buyer	Buyer	Seller
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THE BLUFFS AT SKAHA
CONTRACT OF PURCHASE AND SALE

Strata Lot: _____

7. The Property will be in the condition at the Possession Date as referred to in the Disclosure Statement.
8. **TITLE:** Free and clear of all encumbrances except subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, and registered or pending restrictive covenants, easements, rights-of-way and other similar encumbrances in favour of utilities and public authorities or others, as required to facilitate the subdivision or strata titling of the Lands and as set out herein and in the Disclosure Statement.
9. **TENDER:** Tender or payment of monies by the Buyer to the Seller will be by certified cheque, bank draft, cash or Lawyer's/Notary's or real estate brokerage's trust cheque.
10. **DOCUMENTS:** All documents required to give effect to this Contract will be delivered in registrable form where necessary and will be lodged for registration in the appropriate Land Title Office by 4 pm on the Completion Date.
 - (a) **SELLERS PARTICULARS AND RESIDENCY:** The Seller shall deliver to the Buyer on or before the Completion Date a statutory declaration of the Seller containing: (1) particulars regarding the Seller that are required to be included in the Buyer's Property Transfer Tax Return to be filed in connection with the completion of the transaction contemplated by this Contract (and the Seller hereby consents to the Buyer inserting such particulars on such return); and (2) if the Seller is not a non-resident of Canada as described in the non-residency provisions of the *Income Tax Act*, confirmation that the Seller is not then, and on the Completion Date will not be, a non-resident of Canada. If on the Completion Date the Seller is a non-resident of Canada as described in the residency provisions of the *Income Tax Act*, the Buyer shall be entitled to hold back from the Purchase Price the amount provided for under section 116 of the *Income Tax Act*.
 - (b) **GST CERTIFICATE:** If the transaction contemplated by this Contract is exempt from the payment of Goods and Services Tax ("GST"), the Seller shall execute and deliver to the Buyer on or before the Completion Date, an appropriate GST exemption certificate to relieve the parties of their obligations to pay, collect and remit GST in respect of the transaction. If the transaction contemplated by this Contract is not exempt from the payment of GST, the Seller and Buyer shall execute and deliver to the other party on or before the Completion Date an appropriate GST certificate in respect of the transaction.
11. **TIME:** Time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreement to pay the balance as may be necessary is entered into on or before the Completion Date, the Seller may, at the Seller's option, terminate this Contract, and, in such event, the amount paid by the Buyer will be absolutely forfeited to the Seller in accordance with the *Real Estate Services Act*, on account of damages, without prejudice to the Seller's other remedies.
12. **BUYER FINANCING:** If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has: (a) made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration, and (c) made available to the Seller, a Lawyer'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 pursuant to the Canadian Bar Association (BC Branch) (Real Property Section) standard undertakings (the "CBA Standard Undertakings").

Initials

Buyer	Buyer	Seller
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THE BLUFFS AT SKAHA
CONTRACT OF PURCHASE AND SALE

Strata Lot: _____

13. **CLEARING TITLE:** If the Seller has existing financial charges to be cleared from title, the Seller, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Seller agrees that payment of the Purchase Price shall be made by the Buyer's Lawyer or Notary to the Seller's Lawyer or Notary, on the CBA Standard Undertakings to payout and discharge the financial charges, and remit the balance, if any, to the Seller.
14. **COSTS:** The Buyer will bear all costs of the conveyance and, if applicable, any costs related to arranging a mortgage and the Seller will bear all costs of clearing title.
15. **RISK:** The Property will be, and remain, at the risk of the Seller until 12:01 am on the Completion Date. After that time, the Property will be at the risk of the Buyer.
16. **PLURAL:** In this Contract, any reference to a party includes that party's heirs, executors, administrators, successors and assigns; singular includes plural and masculine includes feminine
17. **REPRESENTATIONS AND WARRANTIES:** There are no representations, warranties, guarantees, promises or agreements other than those set out in this Contract and schedules annexed, and the representations contained in the Disclosure Statement, all of which will survive the completion of the sale. The Buyer acknowledges that he/she has received a copy of the Disclosure Statement dated February 11, 2019 filed in accordance with the *Real Estate Development Marketing Act*, and has been afforded the opportunity to read the Disclosure Statement prior to entering into this Contract of Purchase and Sale.
18. **PERSONAL INFORMATION:** The Buyer and the Seller hereby consent to the collection, use and disclosure by the Brokerages and by the managing broker(s), associate broker(s) and representative(s) of those Brokerages (collectively the Licensee(s)) described in Clause 19, the real estate boards of which those Brokerages and Licensees are members and, if the Property is listed on a Multiple Listing Service®, the real estate board that operates that Multiple Listing Service®, of personal information about the Buyer and the Seller:
- (a) for all purposes consistent with the transaction contemplated herein;
 - (b) if the Property is listed on a Multiple Listing Service®, for the purpose of the compilation, retention and publication by the real estate board that operates the Multiple Listing Service® and other real estate boards of any statistics including historical Multiple Listing Service® data for use by persons authorized to use the Multiple Listing Service® of that real estate board and other real estate boards;
 - (c) for enforcing codes of professional conduct and ethics for members of real estate boards;

Initials

Buyer	Buyer	Seller
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THE BLUFFS AT SKAHA
CONTRACT OF PURCHASE AND SALE

Strata Lot: _____

19. **AGENCY DISCLOSURE:** The Seller and the Buyer acknowledge and confirm as follows (initial the appropriate box(es) and complete details as applicable):

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INITIALS

(a) The Seller acknowledges having received, read, and understood Real Estate Council of British Columbia (the "RECBC") form entitled "*Disclosure of Representation in Trading Services*" and hereby confirms that the Seller has an agency relationship with _____ (*Designated Agent(s)/Licensee(s)*) who is/are licensed in relation to _____ (*Brokerage*).

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INITIALS

(b) The Buyer acknowledges having received, read and understood RECBC form entitled "*Disclosure of Representation in Trading Services*" and hereby confirms that the Buyer has an agency relationship with _____ (*Designated Agent(s)/Licensee(s)*) who is/are licensed in relation to _____ (*Brokerage*).

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INITIALS

(c) The Seller and Buyer each acknowledge having received, read and understood RECBC form entitled "*Disclosure of Risks Associated with Dual Agency*" and hereby confirms that they each consent to a dual agency relationship with _____ (*Designated Agent(s)/Licensee(s)*) who is/are licensed in relation to _____ (*Brokerage*), having signed a dual agency agreement with such Designated Agent(s)/Licensee(s) dated _____.

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INITIALS

(d) If only (a) has been completed, the Buyer acknowledges having received, read and understood RECBC form "*Disclosure of Risks to Unrepresented Parties*" from the Seller's agent listed in (a) and hereby confirms that the Buyer has no agency relationship.

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INITIALS

(e) If only (b) has been completed, the Seller acknowledges having received, read and understood RECBC form "*Disclosure of Risks to Unrepresented Parties*" from the Buyer's agent listed in (b) and hereby confirms that the Seller has no agency relationship.

20. **ACCEPTANCE IRREVOCABLE (Buyer and Seller):** The Seller and the Buyer specifically confirm, understand and agree that the Seller's acceptance is irrevocable and this Contract is executed under seal.

21. **THIS IS A LEGAL DOCUMENT. READ THIS ENTIRE DOCUMENT AND INFORMATION PAGE BEFORE YOU SIGN.**

Initials



Buyer	Buyer	Seller
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THE BLUFFS AT SKAHA
CONTRACT OF PURCHASE AND SALE

Strata Lot: _____

22. **OFFER:** This offer, or counter-offer, will be open for acceptance until _____ AM/PM on _____ (unless withdrawn in writing with notification to the other party of such revocation prior to notification of its acceptance), and upon acceptance of the offer, or counter-offer, by accepting in writing and notifying the other party of such acceptance, there will be a binding Contract of Purchase and Sale on the terms and conditions set forth herein and schedules annexed hereto.

DATED: _____, 201_____

<u>X</u> _____	 _____	_____
WITNESS	BUYER	PRINT NAME
<u>X</u> _____	 _____	_____
WITNESS	BUYER	PRINT NAME

23. **ACCEPTANCE:** The Seller (a) hereby accepts the above offer and agrees to complete the sale upon the terms and conditions set out above, (b) agrees to pay a commission as per the Listing Contract, and (c) authorizes and instructs the Buyer and anyone acting on behalf of the Buyer or Seller to pay the commission out of the cash proceeds of sale and forward copies of the Seller's Statement of Adjustments to the Cooperating/Listing Brokerage, as requested, forthwith after completion.

Seller's acceptance is dated _____

<u>X</u> _____	_____
WITNESS	THE BLUFFS AT SKAHA G.P. INC.

Initials

Buyer	Buyer	Seller
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THE BLUFFS AT SKAHA
SCHEDULE A:
ADDITIONAL CONTRACT TERMS ADDENDUM

Strata Lot: _____

1. DEPOSIT

- (a) The Deposit shall be paid by certified cheque, solicitors trust cheque or bank draft by the Buyer, and shall be held by RE/MAX Penticton Realty in trust. The Deposit is absolutely forfeited to the Seller without prejudice to the Seller's other remedies if the sale and purchase contemplated by this Contract is not completed by reason of the Buyer's default under this Contract.
- (b) The Developer may enter into a Deposit Protection Contract with a reputable insurer in accordance with the terms of the *Real Estate Development Marketing Act*, which would permit the release of the deposits to the Developer. If and when the Developer enters into such Deposit Protection Contract, the Developer will file an amendment to this Disclosure Statement, which sets out the name and business of the insurer, the party who entered into the Deposit Protection Contract with the insurer, and the date the insurance takes effect.
- (c) There shall be no interest payable on the Deposit(s) or any other monies paid by the Buyer in accordance with the Contract on account of the Purchase Price.

2. COMPLETION OF PURCHASE AND SALE

- (a) The Completion Date will be established by the Seller as follows:
 - (i) the Seller shall set out the Completion Date in a written notice (the "Completion Date Notice") delivered to the Buyer or its solicitor/notary public;
 - (ii) the Completion Date Notice will be delivered within 31 days of the date that the Seller has notice that the Property has been substantially serviced as determined by the Seller's Civil Engineer;
 - (iii) the Completion Date shall be a minimum of 14 days after and a maximum of 28 days after the date on which the Seller delivers the Completion Date Notice to the Buyer or its solicitor/notary public;
 - (iv) the Completion Date shall be on a date that is, subject to the following provisions, on or before November 30, 2020 (the "Estimated Date"). The Seller presently anticipates that the Property will be substantially serviced before the Estimated Date;
 - (v) if by the Estimated Date, the Seller has not yet received notice from the Civil Engineer despite the best efforts of the Seller to complete the subdivision, or in the event of a delay of the type described in subsection 2 (b) below, the Seller may by written notice (the "Extension Notice") addressed to the Buyer and delivered to the Buyer or its solicitor/notary public not less than 30 days prior to the Estimated Date, extend the Completion Date to a date that is no more than two (2) months after the later of (i) the date by which the Seller expects the Property to be substantially serviced as determined by the Civil Engineer, and (ii) the date the Seller expects to be in a position to complete; and
 - (vi) if the Completion Date has not occurred by May 31, 2021 (the "Outside Date"), then the Buyer may give 30 days written notice to the Seller to terminate the Purchase Contract, and the deposit monies paid by the Buyer will be returned by the Seller to the Buyer, provided that under no circumstances will the Buyer be entitled to claim damages for a delay in completion of the Contract.

Initials

Buyer	Buyer	Seller
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Strata Lot: _____

SCHEDULE A:
ADDITIONAL CONTRACT TERMS ADDENDUM

(b) Subject to subsection 2 (a) (vi) above, if the Seller is delayed in transferring the Property or in doing anything the Seller is required to do pursuant to this Contract and the delay is caused by any condition or cause beyond the reasonable control of the Seller including, without limitation, acts or omissions by third parties not related to the Seller, strike, lockout, labour dispute, unusual geotechnical conditions, climatic conditions, acts of God, inability to obtain labour or material, laws, ordinances, rules, regulations or orders of governmental authorities, enemy or hostile action, civil commotion, fire or other casualty, the time for transferring the Property or for the Seller doing anything the Seller is required to do pursuant to this Contract, the Seller may at its option extend the Completion Date as otherwise set out herein or to a date that represents the period of such delay as determined by the Seller.

3. **PROPERTY SIZE ADJUSTMENT:**

The Buyer acknowledges that the total expected area of the Property (Expected Area) shown on the Preliminary Plan is approximate only and may vary from the total actual area (Actual Area) shown on the Final Plan.

If the proportion by which the Actual Area varies from the Expected Area (the "Variance") is up to 10% larger, then the Buyer shall benefit from the increase in the area and no adjustment to the Purchase Price shall be made. If the Variance is more than 10% larger, then the Buyer may elect to either pay the proportionate increase in the Purchase Price per square foot in respect of that part of the Variance which exceeds 10% or terminate the Contract by written notice to the Seller. In the event the Buyer elects to terminate the Contract, the Buyer will be entitled to full repayment of the Deposit.

If the Variance is up to 5% smaller, then no adjustment to the Purchase Price shall be made. If the Variance is more than 5% smaller, then the Buyer may elect to either receive the proportionate decrease in the Purchase Price per square foot in respect of that part of the Variance which exceeds 5% or terminate the Contract by written notice to the Seller. In the event the Buyer elects to terminate the Contract, the Buyer will be entitled to full repayment of the Deposit.

4. **PROPERTY TAXES:**

The Buyer hereby acknowledges and agrees that there may not be individual municipal property tax notices issued in respect of the Property prior to the Completion Date, and in such case the Buyer covenants and agrees that municipal property taxes for the Lands will be adjusted on a pro rata basis considering all the lots within the development of which the Property forms a part. If the Completion Date occurs prior to the date upon which municipal property taxes are due in respect of the Lands or Property, then notwithstanding that the Buyer may not be entitled to an individual tax receipt in respect of the Property, the Buyer shall pay the adjusted tax portion to the Seller, who hereby covenants and agrees to pay municipal property taxes for the current year in respect of the Lands and the Property. Provided, however, that the Seller's solicitor shall not be required to provide an undertaking with respect to payment of such taxes as a condition of completing the purchase and sale of the Property on the Completion Date.

5. **BUYER'S ACKNOWLEDGEMENTS:**

The Buyer hereby represents, warrants, acknowledges, covenants and agrees as follows:

- (a) the Buyer has been shown and accepts the location of the Property and the subdivision layout,
- (b) it is the Buyer's obligation to satisfy itself with respect to zoning of the Property and any zoning issues other than that the Property is able to be used for residential purposes,
- (c) the Buyer confirms that they have received a lot grading plan for the Property from the Seller and acknowledges that the Seller has made no representations or warranties with respect to sub-soil or foundation conditions and that it is the sole responsibility of the Buyer to take appropriate steps to ensure adequate foundations for any building erected thereon,

Initials

Buyer	Buyer	Seller
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THE BLUFFS AT SKAHA

Strata Lot: _____

SCHEDULE A:
ADDITIONAL CONTRACT TERMS ADDENDUM

- (d) the Buyer covenants and agrees to ensure that the grading of the Property is in conformity with the drainage pattern established and to otherwise comply with all the terms and conditions as set out in the building scheme,
- (e) to immediately advise the Seller of any damage or deficiencies that the Buyer may notice or be aware of with respect to grading of the Property, services extended to the Property or adjacent areas such as roadways, sidewalks and curbing,
- (f) there are no representations, warranties, conditions or collateral contracts, express or implied, statutory or otherwise, or applicable hereto, made by the Seller, its agents or employees, other than those contained in the Contract or the Disclosure Statement, including without limitation, arising out of any marketing material including sales brochures, representative view sets, displays, photographs, illustrations, or renderings provided to the Buyer or made available for the Buyer's viewing,
- (g) the representations, warranties, covenants, and agreements herein set out will survive the Completion Date, and the completion of the sale and purchase of the Property; and
- (h) construction with respect to other lots in the Development and the common property may still be proceeding after the Completion Date and in such event, the Seller will cause construction to be carried out in a manner which will minimize the interference with the Buyer's access to the Property as much as reasonably possible.

6. **SELLER'S REPRESENTATIONS:**

The Seller hereby represents and warrants that on the Completion Date, the Seller will cause good and marketable title to the Property to be transferred to the Buyer, subject only to subsisting conditions, provisos, restrictions, exceptions and reservations contained in the original grant or in any other grant or disposition from the Crown, and except for:

- (a) Statutory Rights of Way in favour of any regional district, municipality or utility companies for the purpose of allowing access over the Lands to install and maintain water works, sewerage works, hydro and/or telecommunication works and other utility works,
- (b) Covenant in favour of any ministry of the Province of British Columbia, Regional District or municipality related, but not limited to access, building, flooding, environmental matters, wildfire interface and liability,
- (c) Declaration of Building Scheme which controls house and yard design – attached to the Disclosure Statement, and except the Seller's financial charges to be discharged by the Seller as provided in this Contract.

7. **CLOSING PROCEDURES:**

The Seller or Seller's Solicitor will provide to the Buyer or the Buyer's Solicitor or Notary Public an information package setting out pertinent information respecting the matters required to be attended to by the Buyer for the completion of the purchase of the Property. The Buyer will cause the Buyer's Solicitor or Notary Public to prepare and deliver to the Seller for execution at least five (5) business days prior to the Completion Date, a Freehold Transfer in Form A under the *Land Title Act* of British Columbia in respect of the Property (the "Transfer"), a Seller's Statement of Adjustments prepared in accordance with the Contract and based on the information and directions as set out in the information package. The Seller and the Registered Owner shall not be required to execute and deliver any other documents in connection with the completion of the purchase and sale of the Property other than the Transfer and the Seller's Statement of Adjustments and, without limiting the generality of the foregoing, shall not be required to execute and deliver any resolutions, certificates or declarations of any type. The Seller will deliver the Transfer, duly executed by the Registered Owner and in *registrable* form, and the Seller's Statement of Adjustments approved by the Seller, duly executed by the Seller, to the Buyer's Solicitor or Notary Public on or prior to the Completion Date on the condition that forthwith upon the Buyer's Solicitor or Notary Public obtaining a post

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Buyer	Buyer	Seller
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registration index search from the Title Office indicating that in the ordinary course of Land Title Office procedure the Buyer will become the registered owner of the Property subject only to subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other disposition from the Crown, registered or pending restrictive covenants and rights of way in favour of public utilities and public authorities, the encumbrances contemplated by or referred to in the Disclosure Statement (collectively, the "Permitted Encumbrances") and any encumbrances relating to any financing arranged by the Buyer, and the Buyer's Solicitor or Notary Public will cause the Balance to be paid to the Seller's Solicitor by way of a certified cheque or bank draft on the Completion Date. The Buyer will ensure that the Balance will be delivered to the Seller's Solicitor no later than 3:00 PM (PST) on the Completion Date.

8. **REMEDIES OF THE SELLER:**

If the Buyer does not comply with the terms of this Contract, the Seller may at its option, by notice in writing to the Buyer, cancel this Contract which shall then be of no further force and effect and the Deposit(s) shall be absolutely forfeited to the Seller on account of damages but without prejudice to any further rights or remedies of the Seller.

9. **INTEREST IN LAND:**

Upon title to the Property being registered in the Land Title Office in the Buyer's name, the Buyer shall become the absolute owner (fee simple) of the Property; however, until such time, this Contract of Purchase and Sale shall not create any interest in land and shall not be registered in the Land Title Office.

10. **RESTRICTIONS ON ASSIGNMENT BY BUYER:**

The Buyer may not assign its interest in the Property or in the Contract without the written consent of the Seller, such consent may be arbitrarily withheld and, unless the Seller so consents, the Seller will not be required to convey the Property to anyone other than the Buyer. The Seller may, at its option, charge an administration fee equal to 2% of the Purchase Price (excluding GST and applicable rebates) as consideration for agreeing to an assignment of the Buyer's interest in the Property or in the Contract and for any associated legal and administrative costs, except that there will be no such charge if the assignee is the Buyer's spouse, parent, child, grandparent or grandchild or a company controlled by the Buyer. Following any assignment, the assignor will not be relieved of its obligations hereunder but will continue to remain liable to perform all obligations of the Buyer under the Contract. The Buyer will not advertise or solicit offers from the public with respect to the resale of the Property by the Buyer before the Completion Date without the express written consent of the Seller, which consent may be arbitrarily withheld.

ASSIGNMENT NOTICE: Without the Seller's prior written consent, any assignment of this Contract is prohibited.

An assignment under the *Real Estate Development Marketing Act* is a transfer of some or all of the rights, obligations and benefits under a Purchase Contract made in respect of a strata lot in a development property, whether the transfer is made by the Buyer under the Purchase Contract to another person or is a subsequent transfer.

Each proposed party to an Assignment Agreement must provide the Seller with the information and records required under the *Real Estate Development Marketing Act*.

Before the Seller consents to an Assignment of this Contract, the Seller will be required to collect information and records under the *Real Estate Development Marketing Act* from each proposed party to an Assignment Agreement, including personal information, respecting the following:

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Buyer	Buyer	Seller
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- (a) the party's identity;
- (b) the party's contact and business information;
- (c) the terms of the Assignment Agreement.

Information and records collected by the Seller must be reported by the Seller to the administrator designated under the *Property Transfer Tax Act*. 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*, which includes disclosure to the Canada Revenue Agency.

11. COSTS NO RESTRICTION ON ASSIGNMENT OF CONTRACT BY SELLER:

The Seller will be entitled to sell and/or assign its rights, benefits and/or obligations under this Contract without the consent of the Buyer, in such case, the Buyer acknowledges and confirms that the new developer will be the assignee of the Seller; and other entities involved in the development of the Development may sell and/or assign their interest in the Development.

12. COSTS / GST:

The Buyer will pay all taxes (including GST and Provincial Property Transfer Tax), costs, and expenses incurred in connection with the completion of the sale and purchase of the Property other than the costs of the Seller incurred in clearing title to the Property of financial encumbrances. **GST is not included in the Purchase Price.** The Seller will account for and remit the GST collected to the Canada Revenue Agency and the Buyer will be solely responsible to collect any applicable rebate of the GST, provided however if the Buyer is a GST registrant, the Buyer will not be required to pay the GST to the Seller on completion if the Buyer provides a certificate setting out its GST number and stating that it will self-assess and account for the GST directly to the Canada Revenue Agency in the manner prescribed in the *Excise Tax Act*.

13. COMPLIANCE DEPOSIT:

- (a) To guarantee compliance with the provisions of the building scheme, architectural design guidelines and other requirements of the Seller, a **compliance deposit of \$10,000.00 per lot** (the "Compliance Deposit") shall be paid by certified cheque or bank draft payable to the Seller and delivered to the design consultant prior to the design consultant providing final plan approval.
- (b) The Compliance Deposit shall be returned to the Buyer, without interest, forthwith upon the Buyer applying in writing to the Seller for the return of same and all the terms of the building scheme have been met, and the residential premises has been completed. Completion of the residential premises will include:
 - (i) exterior elevations, driveways, walks and final exterior paint;
 - (ii) site cleanup;
 - (iii) approved final inspection as described in the architectural design guidelines; and
 - (iv) landscaping as required in the architectural design guidelines.

The Seller will retain the Compliance Deposit, or a portion of it, for any of the following infractions:

- (i) violation of the building scheme and approvals;
- (ii) changes to the approved design plans made without approval of the Seller's design consultant;
- (iii) unfinished yard landscaping and site drainage;
- (iv) damage to surface improvements (including roadside curbs and sidewalks) and utilities;
- (v) failure to clean up the site, including failure to remove excavation material spilled on roads, sidewalks or

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(vi) neighbouring lots; and
unauthorized dumping.

(c) No part of the Compliance Deposit shall be returned to the Buyer should the Buyer sell the Property prior to the issuance of an occupancy permit, the landscaping and exterior of the residential premises being completed, final inspection as described in the building scheme, and the Property cleaned up. The Compliance Deposit shall continue to be held by the Seller and returned to the subsequent Buyer provided that the occupancy permit is obtained and the provisions of the building scheme and architectural design guidelines concerning completion are satisfied within the time period permitted from the original date of Purchase and Sale. The Buyer shall also obtain a letter from the Seller's design consultant confirming that the residence has been built in accordance with the statutory building scheme.

(d) The Buyer acknowledges that it is the Buyer's responsibility to obtain from any subsequent Buyer of the Property a credit on account of the Compliance Deposit paid to the Seller in accordance with this Contract.

14. **HOUSE DESIGN REVIEW AND APPROVAL FEE:**

The Buyer must submit all building plans to the Seller for review and approval prior to the commencement of any construction on the Property. A building plan review and approval fee up to a maximum of \$1,200.00 plus applicable taxes will be charged by the Seller or an agent designated by the Seller for each individual set of building plans that requires review and approval and this payment is non-refundable. The building plan review and approval fee is payable upon submission of the building plans.

15. **BUYERS INSURANCE:**

The Buyer shall obtain, at the Buyer's own cost, an insurance homeowner's policy of insurance covering the Property, the Buyer and the strata if applicable in a form and from an insurer satisfactory to the Seller, acting reasonably, including, without limitation, coverage for deductible assessments, contingent liability, property damage, and strata lot improvements and additions. The Buyer shall provide the Seller with proof of such insurance on or before the Completion Date

16. **TITLE:**

In addition to the encumbrances permitted by this Contract, the title to the Property will be subject to the following:

- (a) the exceptions listed in Section 23(2) of the Land Title Act of British Columbia
- (b) the charges and encumbrances described in the Disclosure Statement; and
- (c) claims of builders liens where the Seller's Lawyers have undertaken to remove same pursuant to the following:

That portion, if any, of the Purchase Price required by law to be held back by the Buyer in respect of builders lien claims (Lien Holdback) shall be paid on the Completion Date to the Seller's lawyers. The Lien Holdback shall be held in trust pursuant to the Strata Property Act of British Columbia (Strata Lot) solely in respect of lien claims registered in the Land Title Office in connection with work done at the request of the Seller. The Seller's lawyers are authorized to invest the Lien Holdback in an interest bearing trust account and to pay to the Seller, on the earlier of the date on which the time for filing a claim of lien under the Builders Lien Act expires and the date which is 55 days after the Property is conveyed to the Buyer, the Lien Holdback plus interest, if any, accrued thereon, less the amount of any builders lien claims filed against the Property of which the Seller's lawyers are notified by the Buyer or the Buyer's lawyers in writing by 4:00 p.m. on that day. The Buyer hereby authorizes the Seller to bring any legal proceedings required to clear title to the Property of

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any lien claims filed with respect to the Property, including payment of funds into Court if desired by the Seller.

17. **CONSENT FOR INSPECTIONS:**

In order to ensure compliance with the Seller’s safety guidelines for the construction site, neither the Buyer nor the Buyer’s agents or representatives will under any circumstances be permitted to inspect the Property or to enter the construction site of the Development prior to the Completion Date unless so authorized by the Seller in writing and then only when accompanied by a representative of the Seller.

18. **SELLER’S MARKETING:**

The Buyer agrees that after completion of the conveyance contemplated by the Contract, the Buyer will allow the Seller, whether by resolution of the strata corporation or otherwise, to:

- (a) maintain professional signage on the common property of the strata corporation or Development for the purposes of offering the balance of the Seller’s lots in the Development for sale; and
- (b) show the common property of the strata corporation and designated show lots to prospective purchasers for the purposes of offering the balance of the Seller’s lots for sale.

19. **TIME OF THE ESSENCE:**

In addition to the Seller’s right to terminate the Contract in the event the Buyer fails to pay the Purchase Price on the Completion Date, as set out in section 11 of the Contract, the Seller may, at the Seller’s option, elect to extend the time for completion and complete the transaction contemplated by the Contract, in which event the Buyer will pay to the Seller, in addition to the Purchase Price, interest on the unpaid portion of the Purchase Price and other unpaid amounts payable hereunder at the rate of 3% per annum above the annual rate of interest designated by the Seller’s principal bank as its “prime rate”, as that rate changes from time to time, such interest to be calculated daily from the date upon which such payment and amounts were due to the date upon which such payment and amounts are paid. If from time to time the Buyer’s default continues beyond the last extended date for completion established pursuant hereto the Seller may thereafter elect to terminate the Contract in accordance with Section 11 of the Contract or permit a further extension pursuant to the provisions hereof.

20. **NOTICES AND TENDER:**

Any notice to be given to the Buyer will be sufficiently given if deposited in any postal receptacle in Canada addressed to the Buyer and sent by postage prepaid regular mail, or if delivered by hand, or if transmitted by facsimile, email or other means of electronic transmission of documents. Such notice shall be deemed to have been received, if mailed, on the second business day, exclusive of Saturdays, Sundays and statutory holidays, after such mailing and, if sent by electronic means, when the Seller receives an electronic confirmation of delivery to the Buyer. The contact addresses and numbers for the Buyer are as set out in the Contract or such addresses or numbers that the Buyer has last notified the Seller in writing. Any documents to be tendered on the Buyer may be tendered on the Buyer or the Buyer’s lawyers. Any notice to be given to the Seller may be given to the Seller or the Seller’s lawyers in the same manner, and shall be deemed to have been received, as provided for above in this section. Any documents or money to be tendered on the Seller shall be delivered at the Buyer’s expense to the Seller or the Seller’s lawyers.

21. **GOVERNING LAW:**

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Buyer	Buyer	Seller
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The Contract and all matters arising hereunder will be construed in accordance with and governed by the laws of British Columbia which will be deemed to be the proper law hereof and the courts of British Columbia will have the exclusive jurisdiction to entertain and determine all claims and disputes arising out of or in any way connected with the Contract and the validity, existence, and enforce ability thereof.

22. **BUYER COMPRISING MORE THAN ONE PARTY:**

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

23. **EXECUTION OF COUNTERPARTS AND ELECTRONIC DELIVERY OF CONTRACT:**

The Contract may be executed by the parties in counterparts and delivered, mailed, or transmitted by electronic means and if so executed and delivered, mailed or transmitted the Contract will be for all purposes as effective as if the parties had executed and delivered to one another a single original instrument.

24. **SOLICITORS**

The Seller's solicitor is Rand L. Buckley of the law firm Buckley Hogan Law office, Barristers & Solicitors, located at #200, 8120 - 128th Street, Surrey, B.C. V3W 1R1 Phone: 604-635-3000 Fax: 604-635-3311 and Email: lawyers@buckleyhogan.com

If known, the Buyer's solicitors are:

Name: _____

Contact: _____

(MR. MS. MRS. DR.)

Address: _____

City: _____

Province: _____ Postal Code: _____

Tel: _____ Bus: _____

Fax: _____

Email: _____

Initials

Buyer	Buyer	Seller
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