

LAND TITLE ACT
FORM C
(Section 219.81)
Province of
British Columbia

85094597

95 MAR 30 11 52

85094598

LAND TITLE OFFICE
NEW WESTMINSTER
2ND FLOOR

GENERAL INSTRUMENT - PART I

(This area for Land Title Office use)

Page 1 of 8 pages

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

Jim Blair
City of Vancouver
453 West 12th Avenue
Vancouver, B.C. V5Y 1V4
873-7514

Jim Blair
signature of applicant, applicant's solicitor or agent

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:*

B57876/
B57876a

(PID) (LEGAL DESCRIPTION)
012-260-398 The East 1/2 of Lot 2 Except the North 17 Feet Now Road,
Block 9 District Lot 320 Plan 3720
012-260-410 The West 1/2 of Lot 2 Block 9 District Lot 320 Plan 3720

3. NATURE OF INTEREST:*

DOCUMENT REFERENCE
(page and paragraph)

PERSON ENTITLED TO INTEREST

- Section 215 Covenant
- Priority Agreement over
Mortgage No. BJ78763

Pages 3 to 7
Page 8

Transferee
Transferee

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

- (a) Filed Standard Charge Terms
- (b) Express Charge Terms
- (c) Release

- D.F. No.
- Annexed as Part 2
- There is no Part 2 of this instrument

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in Item 3 is released or discharged as a charge on the land described in Item 2.

5. TRANSFEROR(S):*

OK KALLISTA ENTERPRISES INC. (Reg. No. 417405) HONGKONG BANK OF CANADA

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

CITY OF VANCOUVER, a municipal corporation
453 West 12th Avenue, Vancouver, B.C. V5Y 1V4

7. ADDITIONAL OR MODIFIED TERMS: *
n/a

03/30/95 B3861# CHARGE 100.00

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

Officer Signature(s)
Bonnie S. Elster
BONNIE S. ELSTER
Barrister & Solicitor
800 - 885 WEST GEORGIA STREET
VANCOUVER, B.C. V6C 3H1
TELEPHONE: (604) 687-5700

Execution Date

Y	M	D
95	03	29

Party(ies) Signature(s)
KALLISTA ENTERPRISES INC.
by its authorized signatories:
Peter Cukronomas
Print Name: PETER CUKRONOMAS
Print Name:

OK as to
211
copy
only
TD

OFFICER CERTIFICATION: Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1979, c. 116, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument. *If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E. **If space insufficient, continue executions on additional page(s) in Form D.

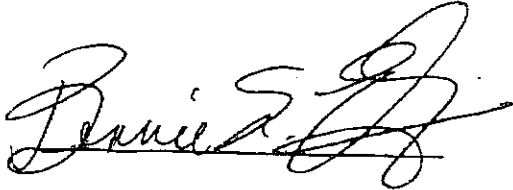
LAND TITLE ACT

EXECUTIONS CONTINUED

Officer Signature(s)

Execution Date

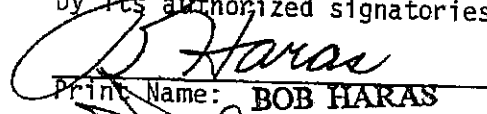
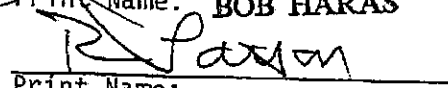
Transferor/Borrower/Party
Signature(s)



BONNIE S. ELSTER
Barrister & Solicitor
800 - 607 HENRY & GEORGIA STREET
VANCOUVER, B.C. V6C 3H1
TELEPHONE: (604) 687-5700

Y	M	D
95	03	29
95	03	29

HONGKONG BANK OF CANADA
by its authorized signatories:


Print Name: BOB HARAS
Print Name: RANDY LARSON 6304

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1979, c. 116, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

TERMS OF INSTRUMENT - PART 2

SECTION 215 FLOODING COVENANT

BETWEEN:

KALLISTA ENTERPRISES INC.,
 (Registration No. 0417405),
 3728 Collingwood Street
 Vancouver, British Columbia
 V6S 2M5

(the "Transferor")

OF THE FIRST PART

AND:

CITY OF VANCOUVER,
 a municipal corporation with
 offices at 453 West 12th Avenue
 Vancouver, British Columbia
 V5Y 1V4

(the "Transferee")

OF THE SECOND PART

WHEREAS:

A. The Transferor is the registered owner of those lands and premises (the "Lands") situated in Vancouver, British Columbia, and legally described in Form C to which this Agreement is attached;

B. The Transferor has applied for approval to build on the Lands and the Transferee, for the purpose of minimizing potential damage that could be caused by flooding, has required as a condition of granting the building permit that the Transferor enter into this Covenant;

C. Section 215 of the Land Title Act provides, inter alia, that a covenant, whether of a negative or positive nature, in respect of the use of land or the use of a building on or to erected on land, in favour of a municipality of the Crown, may be registered as a charge against the title to that land; and

D. The Transferor agrees to grant this Covenant in favour of the Transferee as a condition of approval of the building permit.

NOW THEREFORE THIS AGREEMENT WITNESSES that pursuant to Section 215 of the Land Title Act, and in consideration of the premises and the sum of One Dollar (\$1.00), now paid by the Transferee to the Transferor (the receipt and sufficiency whereof is hereby acknowledged), the Transferor covenants and agrees with the Transferee as follows:

1. The Transferor, for itself and its successors and assigns, hereby covenants and agrees with the City as a covenant in favour of the City pursuant to Section 215 of the Land Title Act, that:

- (a) No building, mobile home or unit, modular home or structure, shall be constructed, reconstructed, moved, extended or located on the Lands within fifteen (15) metres from the landside top of engineered slope protection works, with the exception of pile, or pier supported buildings where a professional engineer certifies to the satisfaction of the Province's Regional Water Manager, or his successor in title or function (hereinafter called the "Regional Water Manager") that the buildings and foundations are designed to resist the National Building Code of Canada design earthquake.
- (b) No area used for habitation, business, or storage of goods damageable by floodwaters shall be located within any building within the Lands at an elevation such that the underside of the floor system thereof is less than three point five (3.5) metres Geodetic Survey of Canada datum. In the case of a mobile home, the ground level or top of the concrete or asphalt pad on which it is located shall be no lower than the Required Elevation. Three point five (3.5) metres Geodetic Survey of Canada datum is hereinafter called the "Required Elevation".
- (c) The Required Elevation may be achieved by structural elevation of the said habitable, business or storage area or by adequately compacted landfill on which any building within the Lands is to be constructed or mobile home located, or by a combination of structural elevation and landfill. No area below the Required Elevation shall be used for the installation of furnaces or other fixed equipment susceptible to damage by floodwater unless reasonable measures, as designed by a professional engineer, and as accepted by the Regional Water Manager, are taken to prevent flood damage. Where landfill is used to raise the natural ground elevation, the face of the landfill slope shall be adequately protected against erosion from flood flows, wave action or other debris to the satisfaction of the Director of Permits and Licenses of the City or his successor in title or function.
- (d) Underground parking shall be permitted below the Required Elevation subject to the following conditions:
 - (i) unobstructed pedestrian egress routes shall be provided to areas above the Required Elevation;
 - (ii) elevators shall be equipped with an automatic device to prevent their descent into any flooded area;
 - (iii) signs shall be posted stating "This Parking Area May Be Subject to Flooding"; and

- (iv) all electrical, fire alarm and building services other than incoming services, water and drain, waste and vent piping shall be installed at or above the required elevation.

2. The Transferor, on behalf of itself and its successors and assigns, acknowledges that the Transferee does not represent to the Transferor or any other person that any building, mobile home or unit, improvement, chattel or other structure, including the contents of any of them, built, constructed or placed within the Lands will not be damaged by flooding or erosion, and the Transferor, on behalf of itself and its successors and assigns, with full knowledge of the potential flood or erosion danger:

- (a) agrees to indemnify and save harmless the Transferee and Her Majesty the Queen in the Right of the Province of British Columbia (collectively called the "Transferees") and each of them and their respective employees, servants, or agents from all loss, damage, costs, actions, suits, debts, accounts, claim and demands which the Transferees or either of them or any of their respective employees, servants or agents, may suffer or incur or be put to arising out of or in connection with any breach of any covenants or agreement on the part of the Transferor or its successors and assigns contained in this Covenant or arising out of or in connection with any personal injury, death or loss or damage to the Lands, or to any building, modular home, mobile home or unit, improvement, or other structure, or any chattels, including the contents of any of them, built, constructed or placed on or within the Lands (including existing non-conforming buildings) caused by or in any way connected with or that would not have occurred but for:
 - (i) flooding or erosion of the Lands by water, irrespective of whether such flooding or erosion is from the waters of the Fraser River, Pacific Ocean, runoff from adjacent lands, storm sewer surcharges, or any combination thereof;
 - (ii) the deposit upon the Lands of soil, mud, rock or other debris, whether from adjacent property or by the waters of the Fraser River or the Pacific Ocean; or
 - (iii) instability or subsidence of the Lands whether induced by earthquake or otherwise;
- (b) does remise, release and forever discharge the Transferees and each of them and their respective employees, servants or agents from all manner of actions, cause of actions, suits, debts, accounts, covenants, contracts, claims and demands which the Transferor or any of its successors and assigns may have against the Transferees or either of them or their respective employees, servants or agents for and by reason of any personal injury, death or loss or damage to the Lands, or to any building, modular home, mobile home or unit, improvement or other structure, or any chattels, including the contents of any of them, built, constructed or placed on or within

the Lands, caused by or in any way connected with or that would not have occurred but for:

- (i) flooding or erosion of the Lands by water, irrespective of whether such flooding or erosion is from the waters of the Fraser River, Pacific Ocean, runoff from adjacent lands, storm sewer surcharges, or any combination thereof;
- (ii) the deposit upon the Lands of soil, mud, rock or other debris, whether from adjacent property or by the waters of the Fraser River or the Pacific Ocean; or
- (iii) instability or subsidence of the Lands whether induced by earthquake or otherwise.

3. The covenants set forth herein shall charge the Lands pursuant to Section 215 of the Land Title Act and shall be covenants the burden of which shall run with the Lands and bind the Lands and every part or parts thereof and shall attach to and run with the Lands and each and every part to which the Lands may be divided or subdivided whether by subdivision plan, strata plan or otherwise howsoever. The covenants set forth herein shall not terminate if and when a purchaser becomes the owner in fee simple of the Lands but shall charge the whole of the interest of such purchaser and shall continue to run with the Lands and bind the Lands and all future owners of the Lands or any portion thereof.

4. Notwithstanding anything contained herein, neither the Transferor nor any future owner of the Lands or any portion thereof shall be liable under any of the covenants and agreements contained herein to the extent such liability arises by reason of an act or omission occurring after the Transferor or any such future owner ceases to have any further interest in the Lands.

5. (a) The Transferor or any of his heirs, executors, administrators, successors and assigns, as the case may be, shall give written notice of this Agreement to any person to whom he proposes to dispose of the Lands or any part thereof, which notice shall be first received by that person prior to such disposition.

(b) For the purposes of this section the word "dispose" shall have the meaning given to it under Section 29 of the Interpretation Act, R.S.B.C. 1979, c. 206.

6. Wherever the singular or masculine is used herein, the same shall be construed as meaning the plural, feminine or body corporate or politic where the context or the parties so require.

7. The Transferor shall do and cause to be done all things and execute and cause to be executed all documents which may be necessary to ensure that this Covenant is registered against titles to the Lands in the Vancouver/New Westminster Land Title Office with priority over all other charges and encumbrances, save for encumbrances held by the City.

8. This Covenant and each and every provision hereof shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF this Covenant was executed by the parties hereto as of the day and year first above written on Form C or Form D above which are a part hereof.

REF: 2007-05-30-10.49.31.830207

PRIORITY AGREEMENT

8

WHEREAS HONGKONG BANK OF CANADA (hereinafter called the "Chargeholder") is the holder of a Mortgage encumbering the lands described in the attached Section 215 Covenant which Mortgage is registered in the Land Title Office under number BJ78763 (hereinafter called the "Charge").

NOW THEREFORE THIS INDENTURE WITNESSETH THAT the Chargeholder HEREBY GRANTS to the City of Vancouver priority for the attached Section 215 Covenant over the Chargeholder's right, title, interest and equity in and to the lands described in the Section 215 Covenant as if the attached Section 215 Covenant had been executed, delivered and registered prior to the execution and registration of the Charge and prior to the advance of any monies pursuant to the Charge. This grant of priority is and forever shall be irrevocable, unqualified and without reservation or limitation.

END OF DOCUMENT