



DISCLOSURE STATEMENT

May 19, 2016

This Disclosure Statement is with respect to an offering by Living Midtown 2 Development Limited Partnership for the sale of strata lots being developed at a property which is currently municipally described as 630 East Broadway Street, Vancouver, British Columbia, in a development known as "Midtown Modern" (the "Development").

Developer: Living Midtown 2 Development Limited Partnership

Developer's Address: 328 West 2nd Avenue
Vancouver, B.C. V5Y 1C8
Fax: (604) 688-4110

Address for Service: c/o Fasken Martineau DuMoulin LLP
2900 – 550 Burrard Street
Vancouver, B.C. V6C 0A3

Real Estate Agent: The Developer intends to market the strata lots by using its own employees and the services of:

PortLiving Real Estate Corp.
328 West 2nd Avenue
Vancouver, BC V5Y 1C8

Some but not all employees are licensed under the *Real Estate Services Act*, however, all act solely for the Developer. They are not acting on behalf of the Purchaser.

The Developer reserves the right to appoint additional or replacement agents or subagents.

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.



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

_____ (Purchaser's Name), who has confirmed that fact by initialling the space provided here:

| | |
|-------------------------|--|
| Purchaser's Initials | |
| | |

I/we the undersigned hereby acknowledge that I/we have received a true copy of the Disclosure Statement dated May 19, 2016 pertaining to proposed Strata Lot ____ of the above-described property and have been afforded the opportunity to read same.

Executed by the Purchaser(s) at _____, BC this ____ day of _____, 20__.

Purchaser: Print name here: _____

Sign name here: _____

Print name here: _____

Sign name here: _____

RIGHT OF RESCISSION

Under Section 21 of the *Real Estate Development Marketing Act* (the “**Act**”), the purchaser or lessee of a development unit may rescind (cancel) the contract of purchase and sale or contract to lease by serving written notice on the Developer or the Developer’s brokerage, within 7 days after the later of the date the contract was entered into or the date the purchaser or lessee received a copy of this Disclosure Statement.

A purchaser may serve a notice of rescission by delivering a signed copy of the notice in person or by registered mail to:

- (a) The Developer at the address shown in the disclosure statement received by the purchaser,
- (b) The Developer at the address shown in the purchaser’s purchase agreement,
- (c) The Developer’s brokerage, if any, at the address shown in the disclosure statement received by the purchaser, or
- (d) The Developer’s brokerage, if any, at the address shown in the purchaser’s purchase agreement.

The Developer must promptly place purchasers’ deposits with a brokerage, lawyer or notary public who must place the deposits in a trust account in a savings institution in British Columbia. If a purchaser rescinds his/ her/ its purchase agreement in accordance with the Act and regulations, the Developer or the Developer’s trustee must promptly return the deposit to the purchaser.

RIGHT OF RESCISSION

THIS DEVELOPMENT IS BEING MARKETED PURSUANT TO POLICY STATEMENT No. 5 WHEN BUILDING PERMIT NOT ISSUED

If the developer has obtained approval in principle to construct or otherwise create the development units from the appropriate municipal or other government authority, the superintendent will permit a developer to begin marketing on complying with the following terms and conditions:

- (a) The estimated date, as disclosed in the disclosure statement, for the issuance of a building permit, 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 the issued building permit is filed with the superintendent during that period. The developer must also either:
 - (i) prior to the expiry of the 9 month period, file with the superintendent an amendment to the disclosure statement that sets out particulars of the issued building permit; or
 - (ii) upon the expiry of the 9 month period, immediately cease marketing the development and confirm in a written undertaking to the superintendent that all marketing of the development has ceased and will not resume until after the necessary amendment has been filed, failing which a cease marketing or other order may be issued by the superintendent to the developer without further notice.

Additionally, the developer must provide written notice without delay to the superintendent if, during the 9 month period, all units in the development property being marketed under this Policy Statement are sold or the developer has decided not to proceed with the development.

- (c) Any purchase agreement used by the developer, with respect to any development unit offered for sale or lease before the purchaser's receipt of an amendment to the disclosure statement that sets out particulars of the issued building permit, contains the following provisions:
 - (i) The purchaser may cancel the purchase agreement for a period of seven days after receipt of an amendment to the disclosure statement that sets out particulars of the issued building permit if the layout or size of the applicable development unit, the construction of a major common facility, including a recreation centre or clubhouse, or the



general layout of the development, is materially changed by the issuance of the building permit;

- (ii) **If an amendment to the disclosure statement that sets out particulars of an issued building permit is not received by the purchaser within 12 months after the initial disclosure statement was filed, the purchaser may at his or her option cancel the purchase agreement at any time after the end of that 12 month period until the required amendment is received by the purchaser, at which time the purchaser may cancel the purchase agreement for a period of seven days after receipt of that amendment only if the layout or size of the applicable development unit, the construction of a major common facility, including a recreation centre or clubhouse, or the general layout of the development, is materially changed by the issuance of the building permit;**
- (iii) **The amount of the deposit to be paid by a purchaser who has not yet received an amendment to the disclosure statement that sets out particulars of an issued building permit is no more than 10% of the purchase price; and**
- (iv) **All deposits paid by a purchaser, including interest earned if applicable, will be returned promptly to the purchaser upon notice of cancellation from the purchaser.**

Please see Section 6.1 of this Disclosure Statement for more information.

RIGHT OF RESCISSION

THIS DEVELOPMENT IS BEING MARKETED PURSUANT TO POLICY STATEMENT No. 6 WHEN CONSTRUCTION FINANCING IS CONDITIONAL

If the developer has not obtained a satisfactory financing commitment, the developer may market the development units, but only on complying with the following terms and conditions:

- (a) **The estimated date for obtaining a satisfactory financing commitment, as disclosed in the disclosure statement, is 9 months or less from the date the developer filed the disclosure statement with the superintendent;**
- (b) **The developer markets the proposed development units under the disclosure statement for a period of no more than 9 months from the date the disclosure statement was filed with the superintendent, unless an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is filed with the superintendent during that period. The developer must also either:**
 - (i) **prior to the expiry of the 9 month period, file with the superintendent an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment; or**
 - (ii) **upon the expiry of the 9 month period, immediately cease marketing the development and confirm in a written undertaking to the superintendent that all marketing of the development has ceased and will not resume until after the necessary amendment has been filed, failing which a cease marketing or other order may be issued by the superintendent to the developer without further notice.**

Additionally, the developer must provide written notice without delay to the superintendent if, during the 9 month period, all units in the development property being marketed under this Policy Statement are sold or the developer has decided not to proceed with the development.

- (c) **Any purchase agreement used by the developer, with respect to any development unit offered for sale or lease before the purchaser's receipt of an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment, contains the following terms:**
 - (i) **If an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is not received by the purchaser within 12 months after the initial disclosure statement was filed, the purchaser may at his or her option cancel the purchase agreement at any time after the end of that 12 month period until the required amendment is received by the purchaser;**



- (ii) **The amount of the deposit to be paid by a purchaser who has not yet received an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is no more than 10% of the purchase price; and**
- (iii) **All deposits paid by a purchaser, including interest earned if applicable, will be returned promptly to the purchaser upon notice of cancellation from the purchaser.**

Please see Section 6.2 of this Disclosure Statement for more information.



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EXHIBITS

- A Preliminary Strata Plan
- B Proposed Form Y Notice of Different Bylaws
- C Form V – Schedule of Unit Entitlement
- D Form W – Schedule of Voting Rights
- E Interim Budget
- F Estimated Strata Fees
- G Form J - Rental Disclosure Statement
- H Contract of Purchase and Sale
- I Parking Lease
- J Parking Option
- K Zoning

1 THE DEVELOPER

1.1 Jurisdiction and Origin

The developer is Living Midtown 2 Development Limited Partnership (the “**Developer**”), a limited partnership formed under the laws of British Columbia on June 30, 2014 and registered under no. LP0637664. The general partner (the “**General Partner**”) of the Developer is Port Capital Development (MID2) Inc. (BC Incorporation No. 1005886).

1.2 Purpose and Assets.

The Developer (including the General Partner) was formed for the purposes of developing the Lands as herein described and has no other assets other than those related to the Development.

1.3 Registered and Records Office Address

The Developer’s registered and records office is:

2900 – 550 Burrard Street
Vancouver, B.C. V6C 0A3

1.4 Director(s)

The two directors of the Developer are:

- (a) Macario Teodoro Reyes; and
- (b) Robert Scott Vrooman.

1.5 Background and Conflicts of Interest

- (a) The Developer was formed for the purpose of developing the Lands (as defined below) and therefore the Developer has no previous experience as a developer. Mr. Reyes, a director, officer and majority shareholder of the Developer and the General Partner, has over fourteen years’ experience in the real estate industry including in acquisitions, stratas, project management, leasing, condo sales and marketing, and mixed-use development involving over 400,000 square feet of prime Vancouver central business district locations. Mr. Reyes was the director, officer and principal holder of a developer of an award-winning mixed-use project under construction in South East False Creek which completed in Fall 2014. Mr. Reyes is also the director, officer and partner in a mixed-use project under construction in Gastown which is completing in Summer 2016. Mr. Reyes is also the director, officer and partner in a mixed-use project under construction in Mount Pleasant which is completing in Winter 2017. Both Mr. Reyes and Mr. Vrooman are directors, officers and partners in a mixed-used project under construction in Vancouver which is completing in Summer 2016. Mr. Vrooman, a director and shareholder of the Developer and the General Partner has 9 years of experience in the development industry. He has led the development activities on over 2.8 million square feet of development projects for a premier development

and construction company, including several mixed-use and residential developments within the Metro Vancouver region. To the best of the Developer's knowledge, each of the Developer and General Partner together with their principal holders, limited partners, director and officers, have not 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.

- (b) To the best of the Developer's knowledge, each of the Developer and General Partner together with their principal holders, limited partners, director and officers, within the five years before the date hereof, have not been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or 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 any person referred to herein.
- (c) To the best of the Developer's knowledge, none of the directors of the General Partner within the five years prior to the date of the Developer's Declaration attached to this Disclosure Statement, has been a director, officer or principal holder of any other developer that, while that person was acting in that capacity, that other developer:
 - (i) 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
 - (ii) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

1.6 Conflict of Interest

There are no existing or potential conflicts of interest among the Developer, the General Partner, the manager, the director, officer or principal holder of the Developer, or any director or officer of the principal holder or any person providing goods and services to the Developer, the General Partner, manager or holder of the development units in connection with the Development, which could reasonably be expected to affect the purchaser's purchase decision.

1.7 Nature of Disclosure

The disclosure and information set out in Sections 1.5 and 1.6 of this Disclosure Statement is being provided in compliance with the *Real Estate Development Marketing Act* only. The offering made pursuant to this Disclosure Statement is being made solely by the Developer. Without limiting the liability provisions under Section 22 of the *Real Estate Development*



Marketing Act, no principal holder, director or officer of any of the Developer or the General Partner or any entity affiliated with the Developer is participating in the offering contained in this Disclosure Statement in any way.

2 GENERAL DESCRIPTION

2.1 Legal Description

The Development will be constructed on lands in the City of Vancouver legally described as:

Parcel Identifier: 029-823-536

Lot A Block 156 District Lot 264A Group 1 New Westminster District Plan EPP56692

(the “**Lands**”).

2.2 Street Address of the Development

The current address of the Development is:

630 East Broadway Street, Vancouver, British Columbia, V5T 1X6

which address may be amended by the City of Vancouver in the course of the development of the Lands.

2.3 General Description of the Development

There will be one four-storey building (the “**Building**”) constructed by the Developer on the Lands.

The Development will be a mixed-use development consisting of fifty (50) residential strata lots (the “**Residential Strata Lots**”) and two (2) commercial strata lots (the “**Commercial Strata Lots**”) (the Residential Strata Lots and the Commercial Strata Lots are collectively, the “**Strata Lots**”). The Residential Strata Lots will be owned individually and located within the second through fourth storeys, inclusive, of the Building.

The Commercial Strata Lots will be located on the ground floor of the Building. The Developer anticipates that it will lease or sell the Commercial Strata Lots to businesses in the nature of retail or any other businesses in accordance with the by-laws of the City of Vancouver.

The locations of the Strata Lots are shown on the preliminary strata plan, which is attached as Exhibit A (the “**Preliminary Strata Plan**”). The Development will also include 76 parking spaces in an underground parkade, 17 of which are for the use of the owner(s) of the Commercial Strata Lots and 59 of which are for the use of the owners of the Residential Strata Lots as further described in Section 3.6.

This Disclosure Statement has been prepared for use only in relation to the marketing of the Residential Strata Lots.

The Residential Strata Lots will be of the following types:



| Type of Strata Lots | No. of Strata Lots |
|---------------------------------|--------------------|
| <i>Residential Strata Lots:</i> | |
| Studios | 36 |
| One Bedroom Strata Lots | 14 |
| <hr/> | |
| Total Residential Strata Lots: | 50 |
| | |
| <i>Commercial Strata Lots:</i> | |
| Commercial Strata Lots | 2 |
| <hr/> | |
| Total Strata Lots: | 52 |

Subject to the encumbrances referred to in Sections 4.3 and 4.4, each of the owners of the Strata Lots will also be entitled to a proportionate share of the common property (the “**Common Property**”) of the Development, and any common facilities and assets of the Strata Corporation (as defined in Section 3.3), which the owners of the Strata Lots will own as tenants-in-common.

The proposed layout of the Development and the dimensions and location of the Strata Lots are set out in the Preliminary Strata Plan, which is attached hereto as Exhibit A. The Preliminary Strata Plan is based on architectural drawings so actual Strata Lots as constructed may vary somewhat from what is depicted on the Preliminary Strata Plan. If, on the surveyed final strata plan for the Development which is to be filed in the Land Title Office (the “**Final Strata Plan**”), the area of the constructed Strata Lot varies by more than three (3%) percent from the area shown in Exhibit A, there will be a corresponding adjustment to the purchase price for the Strata Lot as set out in the Contract of Purchase and Sale. For certainty, the areas and dimensions of the Strata Lots set out in Exhibit A and in this Disclosure Statement and in any sales brochures or other marketing materials are approximate and provided for general information purposes only and are not represented or warranted as being the actual final areas and dimensions of the Strata Lots.

The Developer may, at its sole discretion, make reasonable changes to the features and design of the Strata Lots as set out in the Preliminary Strata Plan attached as Exhibit A and to the architectural plans and specifications, including, without limitation, modifications to the number, type and siting of the Strata Lots and the layout, area, finishes and floor plans of the Strata Lots. The Developer may use alternative materials that are equivalent or better in the opinion of the architect for the Development. The Developer also reserves the right to combine two or more Strata Lots into a single strata lot or to subdivide single Strata Lots into two or more Strata Lots. In addition, the Developer may, at its sole discretion, change the name of the Development, to change the civic address of the Development, to renumber the Strata Lots and/or the number assigned to each floor in the Development or to renumber the unit numbers assigned to the Strata Lots. Accordingly, strata lot numbers and unit numbers assigned to the Strata Lots and the unit entitlement figures for the Strata Lots may be amended from that shown on the Preliminary Strata Plan.

2.4 Use of the Strata Lots

The Lands are zoned C-2C (Commercial) which permits retail store as an outright approval use and residential as a conditional approval use. The City of Vancouver Development Permit Board and Advisory Panel consented to the residential use as a conditional use as part of the preliminary approval of the Developer's development permit application.

The uses permitted under C-2C (Commercial) zoning are set out in Exhibit K. Purchasers can obtain more information at: <http://vancouver.ca/your-government/zoning-development-bylaw.aspx>. The City of Vancouver updates its website from time to time and as such, it may not be up-to-date. Purchasers may also contact the City's Planning and Development Services department via 3-1-1 or at 604-873-7611. These numbers may be changed by the City from time to time.

The Residential Strata Lots will be used for residential and ancillary purposes. There are no restrictions on the use of the Residential Strata Lots except as imposed under the proposed bylaws of the Strata Corporation (which are attached as Exhibit B), the City of Vancouver zoning and other bylaws applicable to the Development and the building permit(s) to be issued for the Development.

The Commercial Strata Lots will be used for commercial purposes. The use of the Commercial Strata Lots will be restricted by the proposed bylaws of the Strata Corporation and the City of Vancouver zoning and other bylaws applicable to the Development and the development permit issued for the Development.

2.5 Not a Phased Development

The Developer's proposed development of the Lands will not be a phased development within the meaning of the *Strata Property Act* (British Columbia). A phased development is one where a strata plan is submitted to the Land Title Office in successive phases rather than all at once.

3 STRATA INFORMATION

3.1 Unit Entitlement

The unit entitlement of each Strata Lot is a figure indicating its share in the common property and assets of the Strata Corporation and is used to determine each Strata Lot owner's contribution to the expenses of the Strata Corporation. The unit entitlement of the Strata Lots is based on the habitable area in square metres, rounded to the nearest whole number of each Strata Lot. The habitable area is defined in the *Regulations* to the *Strata Property Act* as "the area of a residential strata lot which can be lived in, but does not include patios, balconies, garages, parking stalls or storage areas other than closet space". The unit entitlement of the Commercial Strata Lots is based on the total area in square metres of the Commercial Strata Lots. The proposed Form V, Schedule of Unit Entitlement is based on the Preliminary Strata Plan and is attached as Exhibit C to this Disclosure Statement. The calculation of unit entitlement set out in Exhibit C is based on architectural drawings and may vary slightly when calculated on the basis of the final surveyed strata plan for the Development. As the Development is a mixed use development, the final Schedule of Unit Entitlement shall be subject to the approval of the



Superintendent and so the attached Schedule of Unit Entitlement may be subject to change if required by the Superintendent.

3.2 Voting Rights

There will be one strata corporation for the Strata Lots formed upon deposit of the Final Strata Plan in the Land Title Office (the “**Strata Corporation**”) which will be divided into residential and commercial sections as described in Section 3.5. Each Residential Strata Lot will have one (1) vote in the Strata Corporation. The Commercial Strata Lots will have a number of votes based on the following formula:

$$\frac{\text{Unit Entitlement of Commercial Strata Lots}}{\text{Average Unit Entitlement of Residential Strata Lots}}$$

where the average unit entitlement of Residential Strata Lots equals the total unit entitlement of all Residential Strata Lots divided by the total number of Residential Strata Lots.

The proposed Form W, Schedule of Voting Rights is attached as Exhibit D to this Disclosure Statement.

3.3 Common Property and Facilities

Each owner of a Strata Lot is entitled to a proportionate share in the Common Property of the Development together with the common facilities and other assets of the Strata Corporation. The owners of the Strata Lots (the “**Owners**”, or individually, an “**Owner**”) will own the interest in the Common Property, common facilities and other assets of the Strata Corporation as tenants-in-common. The Common Property of the Development includes all areas designated as Common Property and Limited Common Property on the Final Strata Plan. The entitlement of the Strata Lots to the Common Property is subject to the bylaws of the Strata Corporation, any designation of the Common Property as “Limited Common Property” (as defined in Section 3.4 below), and any licences, easements, leases, rights-of-way or covenants described in this Disclosure Statement which are granted by the Developer prior to the registration of the Final Strata Plan or by the Developer or the Strata Corporation subsequent to the filing of the Final Strata Plan in the Land Title Office.

The Common Property of the Development will include: any lobby space, parking stalls, driveways, ramps, roof, elevators, garbage compactor(s), stairways, walkways, storage areas, bicycle storage, corridors, janitorial room(s), electrical/mechanical/telephone rooms, water entry areas, signage, landscaping and related systems and additional service facilities and equipment such as transformers, fire protection systems and equipment, mechanical and electrical systems and equipment, emergency generator systems and equipment, ducts, vents and fans and any other such facilities or equipment which may be indicated on the Preliminary Strata Plan attached as Exhibit A.

The Developer intends to offer the following facilities will for the benefit of the Owners:

- storage/bicycle lockers;
- main lobby and hallways;

- mailboxes; and
- recycling/garbage room

(collectively, the “**Common Facilities**”).

The Developer may choose and hereby reserves the right to substitute for the Common Facilities, other amenities which the Developer, acting reasonably and based on the then current market for residential units, determines to be appropriate and beneficial to the Owners. The Developer further reserves the right to increase or decrease the size of the Common Facilities and alter the configuration, content and location of the Common Facilities, all without compensation to the Strata Corporation and/or the Owners.

The estimated cost of operating and maintaining the Common Property will be shared by the Owners and included in their strata fees in accordance with proposed bylaws of the Strata Corporation.

3.4 Limited Common Property

Limited common property is an area within the Common Property that can be used only by one or more Owner(s) (“**Limited Common Property**”). The Developer intends to designate as Limited Common Property those areas shown on the Preliminary Strata Plan attached as Exhibit A as limited common property, upon tendering the Final Strata Plan for the Development for deposit in the Land Title Office. The balcony, rooftop deck or patio, as the case may be, of each Strata Lot will be designated as the Limited Common Property of that Strata Lot. Limited Common Property designations may only be removed by a unanimous resolution of the members of the Strata Corporation. The Developer reserves the right to amend the size, location and facilities designated as Limited Common Property on the Preliminary Strata Plan prior to filing the Final Strata Plan.

The Strata Corporation is responsible for maintaining all Common Property, including Limited Common Property. However, pursuant to the *Strata Property Act*, the Strata Corporation may, by bylaw, make Owners responsible for the repair and maintenance of Limited Common Property which they use. The proposed bylaws of the Strata Corporation make an Owner, responsible for maintenance and repair of Limited Common Property which they use, except the following, which the Strata Corporation shall repair and maintain:

- (a) repair and maintenance which in the ordinary course of events occurs less than once a year;
- (b) the structure of a building;
- (c) the exterior of a building;
- (d) stairs, balconies, patios and other things attached to the exterior of a building;
- (e) doors or windows on the exterior of a building or that front on the common property; and
- (f) fences, railings and similar structures that enclose patios, balconies and yards.

3.5 Bylaws

The Bylaws of the Strata Corporation shall be substantially similar to those set out in Exhibit B (the “**Proposed Bylaws**”) attached to this Disclosure Statement. The Proposed Bylaws will be filed in the Land Title Office in Form Y under the *Strata Property Act* concurrently with the deposit of the Strata Plan. The Proposed Bylaws establish separate residential and commercial sections of the Strata Corporation. Broadly speaking, under the Proposed Bylaws, the commercial section will generally be responsible for expenses related to the Commercial Strata Lots and appurtenant limited common property and the residential section will generally be responsible for expenses related to the Residential Strata Lots and appurtenant limited common property.

Section 1.4(1) of the Proposed Bylaws provides that a resident or visitor may not use a Strata Lot, the Common Property or the common assets in any way that causes a nuisance, disturbance or hazard to another person, causes unreasonable or repetitive noise, results in excessive or disproportionate use of the Common Property or common facilities, unreasonably interferes with the rights of other person to use and enjoy the Common property, common assets or another Strata Lot, is illegal, immoral or injurious to the reputation of the building, or is contrary to the purpose for which the Strata Lot, Common Property or Limited Common Property, as the case may be, are intended to be used as shown expressly or by necessary implication on or by the Strata Plan.

There is no restriction on renting out of Strata Lots in the Proposed Bylaws. Section 6.5 of the Proposed Bylaws provides further guidelines on renting of Strata Lots.

The Proposed Bylaws do impose restrictions with respect to pets. Section 1.10 of the Proposed Bylaws restricts pets to one or more of the following:

- (a) a reasonable number of fish or other small aquarium animals;
- (b) a reasonable number of small caged animals;
- (c) two (2) cats; or
- (d) two (2) dogs; or
- (e) one (1) cat and one (1) dog.

No exotic pets such as snakes, reptiles, spiders or large felines are permitted.

A purchaser should review the Proposed Bylaws carefully as they impose certain other restrictions regarding pets, rentals and the use of the Strata Lots and other matters related to the control, management, administration, use and enjoyment of the Strata Lots and the Common Property.

3.6 Parking and Storage Areas

The Development will include approximately 76 parking stalls (the “**Parking Stalls**”), 17 of which are for the use of the owner(s) of the Commercial Strata Lots (the “**Commercial Stalls**”) and 59 of which are for the use of the owners of the Residential Strata Lots (the “**Residential**

Stalls”). The Parking Stalls are located in an underground facility with secured garage doors (the “**Parking Facility**”) generally in the locations shown on the Preliminary Strata Plan attached as Exhibit A to this Disclosure Statement. Access to the Parking Stalls is via the lane.

The Parking Facility will include parking stalls designated as handicap parking stalls (the “**Handicap Parking Stalls**”), and Owners or occupants of the Strata Lots may apply to the Strata Corporation for a parking pass (the “**Handicap Parking Pass**”) for a Handicap Parking Stall as more particularly provided for in the Proposed Bylaws attached as Exhibit C. The Parking Facility will also include stalls designated as electric vehicle parking stalls with conduit roughed in for future charge receptacles (the “**Electric Vehicle Parking Stalls**”) and Owners or occupants of the Strata Lots may apply to the Strata Corporation for installation of a charge receptacle to convert a Parking Stall to an Electric Vehicle Parking Stall at the Owner’s cost and a parking pass (the “**Electric Vehicle Parking Pass**”) for an Electric Vehicle Parking Stall as more particularly provided in the Proposed Bylaws attached as Exhibit C. At the request of the Strata Corporation, an Owner will be required to give up his or her Parking Stall if it is designated as a Handicap Parking Stall or an Electric Vehicle Parking Stall to an Owner or occupant who has a Handicap Parking Pass or an Electric Vehicle Parking Pass, as applicable, in which event another Parking Stall will be made available for exclusive use to him or her in the Parking Facility.

The Developer reserves the right to allocate any of the Parking Stalls to any Owner at its sole discretion and for such consideration as the Developer may determine in its sole discretion. The Developer does not guarantee that a Parking Stall will be available for each purchaser of a Strata Lot, and the Developer reserves the right to charge a fee for the use of any such Parking Stall in addition to the purchase price for the Strata Lots.

In addition, the Development will include approximately 77 bicycle spaces consisting of 2 bicycle storage units for the Commercial Strata Lots (the “**Commercial Bicycle Lockers**”) and a six-space bicycle rack is for use by the Commercial Strata Lots (the “**Commercial Bicycle Rack**”). Sixty-three Bicycle Rack spaces (horizontal and vertical spaces) are for use by the Residential Strata Lots (the “**Residential Bicycle Racks**”, and together with the Commercial Bicycle Rack, the “**Bicycle Racks**”) and will be located in the bicycle storage room(s) located on the first floor of the Parking Facility generally in the locations shown on the Preliminary Strata Plan attached as Exhibit A to this Disclosure Statement. Further, there is a six-space bicycle rack located at grade beside the lobby to the Residential Strata Lots. The Developer reserves the right to decrease the number and size of the Commercial Bicycle Lockers and/or Bicycle Racks. Each purchaser will be entitled to the exclusive use of at least one space at a Residential Bicycle Rack. The Developer reserves the right to allocate any of the additional spaces at the Residential Bicycle Racks to any Owner at its sole discretion and for such consideration as the Developer may determine in its sole discretion.

The Development will also include approximately 39 storage lockers (the “**Storage Lockers**”) in the storage room(s) located in the Parking Facility generally in the locations shown on the Preliminary Strata Plan attached as Exhibit A to this Disclosure Statement. The Developer reserves the right to decrease the number and size of the Storage Lockers. In addition, Strata Lots 39, 40, 41, 42, 43, 45, 46, 47, 48, 49 and 50 contain in-suite storage lockers.

The Developer reserves the right to allocate any of the Storage Lockers to any Owner at its sole discretion and for such consideration as the Developer may determine in its sole discretion.



There will not be a storage locker available for each purchaser of a Strata Lot, and the Developer reserves the right to charge a fee for the use of any such Storage Locker in addition to the purchase price for the Strata Lots.

Prior to the filing of the Strata Plan and the creation of the Strata Corporation, the Developer may grant a sublease (the "**Parking Lease**") of a portion of the Development containing the Parking Stalls, the Commercial Bicycle Lockers, the Residential Bicycle Racks and the Storage Lockers (the "**Parking/Storage Area**") to a wholly-owned subsidiary of the Developer (the "**Parking Company**"). A copy of the Parking Lease is attached as Exhibit I. The Parking/Storage Area will be designated as Limited Common Property for the Residential Strata Lots on the Strata Plan (except for the Commercial Stalls and the Commercial Bicycle Lockers, which will be designated as limited common property for the Commercial Strata Lots) but will be subject to the prior grant of the Parking Lease and the rights of the Owners to use the Parking Stalls, the Commercial Bicycle Lockers, the Residential Bicycle Racks and Storage Lockers will be pursuant to the Parking Lease.

The Developer further intends to register an option to sublease (the "**Parking Option**") against title to the Lands prior to the filing of the Strata Plan, which will substantially be in the form attached as Exhibit J. The Parking Option is to be registered in order to secure and provide notice of the Parking Lease and will remain on title to the Strata Lots and/or Common Property following the deposit of the Final Strata Plan in the Land Title Office.

Upon the filing of the Final Strata Plan, the Developer will assign its right, title and interest in the Parking Lease to the Strata Corporation and the Strata Corporation will assume all of the obligations of the Developer, as landlord, under the Parking Lease, by way of an assignment and assumption agreement (the "**Assignment**"), which agreement will be in substantially the form of the assignment attached to the Parking Lease as Schedule B.

The Developer may cause the Parking Tenant to assign the exclusive right to use a Parking Stall, the Commercial Bicycle Lockers, space at a Residential Bicycle Rack and/or Storage Locker by way of a partial assignment of the Parking Lease (the "**Partial Assignment**"), which Partial Assignment will be in the form attached to the Parking Lease as Schedule C. The Parking Company may, at its discretion and for its own benefit, allocate to any Owner or the Strata Corporation additional Parking Stalls, space at a Residential Bicycle Rack or Storage Lockers by way of a partial assignment of the Parking Lease on terms satisfactory to the Parking Company and for such consideration as the Parking Company may determine in its sole discretion, and any such consideration may be retained by the Parking Company for its sole benefit. Upon each Partial Assignment, the Parking Company will be automatically released from any obligations or liabilities under the Parking Lease with respect to the Parking Stall, the Commercial Bicycle Locker, Residential Bicycle Rack and/or Locker for which such Partial Assignment was made.

The Residential Parking Stalls, Residential Bicycle Racks and Storage Lockers will vary in size, shape, convenience and location. The Residential Parking Stalls, Residential Bicycle Racks and Storage Lockers may be partially obstructed by columns, pipes, ducts, mechanical equipment, electrical equipment and other facilities. Some of the Residential Parking Stalls may be designated as small vehicle stalls. The purchasers of the Strata Lots will have no claim against the Developer for: (i) any variation in size, shape, convenience or location of such Residential Parking Stall(s), Residential Bicycle Rack(s) and/or Storage Locker(s); (ii) any partial



obstruction of such Residential Parking Stall(s), Residential Bicycle Rack(s) and/or Locker(s); or (iii) any inability of oversized vehicles to access the Parking Facility.

3.7 Furnishings and Equipment

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

- One Dishwasher
- One Electric Cooktop
- One Electric Wall Oven
- One Refrigerator
- Window Coverings
- One Clothes Washer and One Dryer
- One Microwave
- One Hood Fan

The following Strata Lots will include a gas cooktop rather than an electric cooktop: Strata Lots 39 to 50.

The above items will not be encumbered except to the extent of any mortgage registered in the Land Title Office and any general security agreement filed under the *Personal Property Security Act*. Any filings under the *Personal Property Security Act* affecting such items in a Strata Lot will be released upon payment in full of the amount necessary to obtain a discharge of the mortgage from the Strata Lot by the Developer, within a reasonable time after the completion of the purchase and sale of each Strata Lot.

Any manufacturer's warranty for appliances and equipment whether located in the Strata Lots or in the Common Property will be passed on to the Owner or the Strata Corporation, as the case may be, if and to the extent permitted by such warranty.

There will be no fireplaces (electric or gas) located in any of the Strata Lots.

3.8 Budget

The estimated Interim Operating Budget of the Strata Corporation for the first twelve month period commencing on the first day of the month following the date of the first conveyance of a Strata Lot to a purchaser is attached hereto as Exhibit E. The Developer is required to pay all expenses of the Strata Corporation until the first day of the month following the first conveyance of a Strata Lot to a purchaser. The Strata Corporation will be responsible for paying the utilities and related services set out in the estimated Interim Operating Budget. The estimated monthly allocation of the Interim Operating Budget amongst the Strata Lots is shown in Exhibit F and has been based on each Strata Lot's Unit Entitlement figure (from Exhibit C). The actual monthly contributions will be adjusted upon the finalization of the Unit Entitlement figures when the Final Strata Plan is filed, and monthly contributions will be further adjusted upon the establishment by the Strata Corporation of the actual budget of operating expenses at the first annual general meeting of the Strata Corporation.

In addition to the common Strata Corporation budget, each separate section of the Strata Corporation, will in accordance with the Proposed Bylaws, have a separate annual budget based upon the facilities utilized and expenses incurred in respect of each such separate section. Payments required under the separate annual budget prepared by each separate section will be made together with payments required under the annual budget prepared by the Strata

Corporation. Expenses relating to the limited common property of each of the Residential Strata Lots or the Commercial Strata Lot will be for the account of the owners of Strata Lots in each separate section.

Pursuant to the *Strata Property Act*, the Developer will establish a contingency reserve fund by making a one time contribution equal to 5% of the estimated operating expenses as set out in the Interim Operating Budget. The contribution will be made at the time of the first conveyance of a Strata Lot to a purchaser. The purpose of a contingency reserve fund is to pay for common area expenses that occur usually less frequently than once a year or do not usually occur.

The Interim Operating Budget includes a contingency reserve fund component of 5% of the estimated operating expenses, which amount is in addition to the 5% contributed by the Developer. However, the contingency reserve fund will be increased to 10% of the estimated operating expenses after the first annual general meeting of the Strata Corporation and is required to remain at 10% each year until the contingency reserve fund is at least equal to 25% of the estimated operating expenses of the then current budget at which time the Strata Corporation may approve a different amount.

Pursuant to the *Strata Property Act*, during the period between the first day of the month following the first conveyance of a Strata Lot to a purchaser and the establishment of the first annual budget, if the Strata Corporation's expenses exceed the estimated expenses in the Interim Operating Budget, then the Developer must pay the excess to the Strata Corporation. If the excess expenses are greater than 10% of the Interim Operating Budget, the Developer is required to pay a penalty equal to twice the amount of the excess. If the excess expenses are greater than 20% of the Interim Operating Budget, the Developer is required to pay a penalty equal to three times the amount of the excess.

With respect to the Interim Operating Budget, the estimated costs are based on current costs for existing comparable projects and it is possible that some of the costs for items such as insurance premiums and utilities, which are beyond the control of the Developer, may increase resulting in increases to the Interim Operating Budget and to the estimated monthly strata fees.

The Strata Corporation will be responsible for paying the costs of the following utilities and services and such other utilities and services which may be necessary or desirable for the proper operation and maintenance of the Development, which costs will be included in the monthly strata fees for each Strata Lot:

- (a) maintenance of building exteriors, including window cleaning;
- (b) fire alarm monitoring;
- (c) garbage disposal and recycling;
- (d) mechanical and electrical servicing;
- (e) telecommunications services;
- (f) enterphone system and common area security system lease and monitoring;
- (g) elevator servicing;

- (i) janitorial services;
- (j) landscaping maintenance;
- (k) snow removal;
- (l) insurance costs;
- (m) common area utility costs;
- (n) appraisal and other professional fees;
- (o) administrative and miscellaneous expenses such as postage and photocopying;
- (p) water and sewer charges;
- (q) bank service charges;
- (r) depreciation reports; and
- (s) building envelope inspections.

Pursuant to the *Strata Property Act* and the *Strata Property Act Regulations*, depreciation reports are mandatory for all British Columbian strata corporations. Depreciation reports are studies of all Common Facilities, systems and projects to determine the cost for replacement of such Common Facilities, systems and projects over a 30 year period and whether or not the contingency reserve fund is at a sufficient level given the projected replacement costs. The first depreciation report is required by the date that is six months after: (i) the date of the Strata Corporation's second annual general meeting; or (ii) if the second annual general meeting has been waived pursuant to Section 41 of the *Strata Property Act*, by the last date by which the Strata Corporation would otherwise have been required to hold the second annual general meeting. The owners may by a $\frac{3}{4}$ vote passed at an annual or special general meeting delay the commissioning of a depreciation report. Since the depreciation report is not required until the second year and since it may be delayed, the Interim Operating Budget does not include a budget for the commissioning of a depreciation report. As such, the Strata Corporation budget may increase periodically to address the requirements to obtain a depreciation report.

3.9 Utilities and Services

The Development is located within the City of Vancouver. The services available to the Development will include water, electricity, gas, sewerage, garbage and recycling services, fire protection, heat and hot water, telephone, cable television, high-speed internet access, and public road access. Although gas is available to the Development, it is not available to individual Strata Lots except for the Strata Lots which are receiving gas ranges as described in Section 3.7. Each purchaser will be responsible to apply for individual strata lot hookup with communications and utility suppliers and to pay all connection and user fees associated therewith.

The wires, cables and other equipment (the “**Telecommunications Equipment**”) for the provision of telephone, cable television, internet access and other future telecommunication

services may be owned by the suppliers of such services and, in such cases, the Telecommunications Equipment will not form part of the Common Property.

The Developer may enter into, or may cause the Strata Corporation to enter into, agreements, licences, covenants, easements and/or statutory rights of way with the City of Vancouver, the utilities providers or other entities with respect to the provision of these utilities and services.

The Development will also include or utilize additional service facilities and equipment such as transformers, emergency generator systems and equipment, fire protection systems and equipment, mechanical and electrical systems and equipment and such other facilities and equipment which may not be depicted on the Preliminary Strata Plan attached as Exhibit A, but which will be required by the City of Vancouver in connection with the Development and its stratification (collectively, the “**Service Facilities**”). Once the location of the Service Facilities has been finalized, it is intended that covenants, easements and rights of way may be registered against title to the Lands, the Common Property and the Strata Lots of the Development and licensing and other agreements may be entered into, in order to facilitate the construction, maintenance, repair, replacement and operation of the Service Facilities.

3.10 Strata Management Contracts

Prior to completion, the Developer will cause the Strata Corporation to enter into a management agreement with an arm’s length property management company to be selected by the Developer on terms to be agreed between the Developer and the management company with respect to the control, management and administration of the Common Property and Strata Corporation. The Developer may cause the Strata Corporation to enter into additional management agreements as are deemed necessary to facilitate the provision of services as set out in this Disclosure Statement, which may include management agreements for the Common Facilities or other services described herein.

3.11 Fire and Liability Coverage

(a) Developer Coverage

The Developer has placed, at the time of commencement of construction, the following insurance coverage with respect to the Development:

- (i) a wrap-up liability insurance policy with a completed operations extension; and
- (ii) a builder’s risk broad form policy for course of construction for the period up to completion of the Development.

(b) Strata Corporation Coverage

The Developer will obtain the following insurance coverage in the name of the Strata Corporation:

- (i) full replacement insurance on:
 - (A) Common Property;

- (B) common assets;
 - (C) building; and
 - (D) fixtures which are installed on the strata lot by the Developer as part of the original construction. Fixtures are defined in Section 9.1 of the *Regulations to the Strata Property Act* as “items attached to a building, including floor and wall coverings and electrical and plumbing fixtures, but does not include, if they can be removed without damage to the building, refrigerators, stoves, dishwashers, microwaves, washers, dryers, or other items.”
- (ii) The above noted property will be insured against “major perils” which are defined as “fire, lightning, smoke, windstorm, hail, explosion, water escape, strikes, riots or civil commotion, impact by aircraft and vehicles, vandalism and malicious acts”; and
 - (iii) liability insurance to insure the Strata Corporation against property damage and bodily injury, in an amount of not less than \$2,000,000.00.
- (c) Purchaser’s Coverage

A purchaser of a Strata Lot will be responsible for insuring the contents of his or her Strata Lot and obtaining liability insurance with respect to his or her Strata Lot.

3.12 Rental Disclosure Statement

Under Section 139 of the *Strata Property Act*, a developer must disclose to any purchaser an intention to lease Strata Lots in order to ensure that such Strata Lots may be leased in the future. A rental disclosure statement containing this information will be filed with the Superintendent of Real Estate in the form (Form J) attached as Exhibit G.

4 TITLE AND LEGAL MATTERS

4.1 Legal Description

The Development will be constructed on the Lands which are currently legally described as follows:

Parcel Identifier: 029-823-536
Lot A Block 156 District Lot 264A Group 1 New Westminster District Plan EPP56692

4.2 Registered Owner

The registered owner of the Lands in the Land Title Office is the General Partner, Port Capital Development (MID2) Inc. On the sale of the Strata Lots, the Developer will cause the General Partner to deliver a registrable transfer of title to the applicable Strata Lot to the Purchaser.

4.3 Existing Encumbrances and Legal Notations:

The following legal notations and encumbrances are currently registered against title to the Lands:

(a) *Legal Notations:*

- (i) Notice of Interest, Builders Lien Act (s. 3(2)), see CA414377 which is a warning to other persons that the Developer's interest in the Lands is not bound by a lien claimed under the Builders' Lien Act in respect of any improvement on the Lands unless that improvement is undertaken at the express request of the Developer.
- (ii) Notice of Interest, Builders Lien Act (s. 3(2)), see CA5068193 which is a warning to other persons that the Developer's interest in the Lands is not bound by a lien claimed under the Builders' Lien Act in respect of any improvement on the Lands unless that improvement is undertaken at the express request of the Developer.

(b) *Encumbrances:*

- (i) Mortgage CA4864891 and Assignment of Rents CA4864892 in favour of Terrapin Mortgage Investment Corp.

4.4 Proposed Encumbrances

There are no further encumbrances or covenants proposed or anticipated to be registered with respect to the Development except for:

- (a) any covenants, statutory rights of way, easements and other charges required by the City of Vancouver or any other governmental authority or utility provider (including British Columbia Hydro and Power Authority, FortisBC, Telus Communications (B.C.) Inc. and Shaw Cablesystems Company) for the provision of utilities, including electricity, natural gas, telephone, cable television, internet and other communications services to the Lands or any part of it (including with respect to car share vehicles);
- (b) any covenants, statutory rights of way, easements and other charges required by the City of Vancouver or any other government authority in order to approve the development of the Lands or any part of it, or as a condition for the issuance of any development, building or occupancy permit for the Development or any part of it, or for the development and construction of the Lands or any part of it;
- (c) mortgage(s) and assignment(s) of rents (collectively the "**Future Financial Encumbrances**") in favour of bank(s) or other construction lender(s), securing the construction financing required by the Developer to complete the development of the Lands (see Section 6.2 Construction Financing);
- (d) the Parking Option (as further described in Section 3.6);

- (e) easements which may be granted in favour of adjacent property owners for the purposes of installation of shoring works on and under the Lands and the right to swing the boom of a construction crane through the air space above the Development in connection with the construction of improvements on the adjacent lot;
- (f) while the Developer is not aware of any pending claims of builders liens and certificates of pending litigation (collectively, the “**Claims**”), the Developer acknowledges that it is not uncommon for Claims to be registered by third parties against the title to a development property during the course of construction of a development, whether or not such Claims are valid. Accordingly, Claims may be registered against title to the Lands, the Strata Lots or the Common Property. If any Claims are registered, the Developer will use commercially reasonable efforts to remove all such Claims, and anticipates that in most cases a discharge of a Claim will be filed in the Land Title Office within two weeks of the Developer becoming aware of such Claim. In any event, the Developer confirms that it will file a discharge of any Claim registered against title to a Strata Lot with the Land Title Office prior to the closing of the purchase and sale of that Strata Lot; and
- (g) any and all non-financial encumbrances and equitable charges (which may include financial obligations, for example, to insure, maintain and repair) as may be required by the City of Vancouver, other governmental authorities or utilities in connection with the construction of the Development or which may be required in connection with shoring works and crane overswing agreements.

4.5 Outstanding or Contingent Litigation or Liabilities

There are no outstanding or contingent litigation or liabilities in respect of the Lands or against Developer or the General Partner that may affect the Development, the Strata Corporation or the Owners.

4.6 Environmental Matters

To the best of the Developer’s knowledge, the Lands do not lie within an area that may be subject to flooding. The Developer is not aware of any dangers connected with the Development in respect of the condition of the soil or subsoil.

4.7 Discharge of Financial Encumbrances

The security documents referred to in Section 4.3(b)(i) and any associated priority agreements may be discharged from title to the Lands upon the registration of any Future Financial Encumbrances. The security documents referred to in Section 4.3(b)(i), if not previously discharged, together with any Future Financial Encumbrances, will be discharged from title to individual Strata Lots following the transfer of title to each individual purchaser and from the Common Property when the financing is fully repaid.

5 CONSTRUCTION AND WARRANTIES

5.1 Construction Commencement and Completion

Construction of the Development is expected to commence between September 1, 2016 and November 30, 2016. The Developer estimates that construction of the Development will be completed between approximately March 1, 2018 and May 31, 2018.

This date is an estimate only and subject to change and should not be relied on by any Purchaser. The actual dates may vary based on construction factors and market conditions and the Developer may advance or delay such dates. The actual completion date and possession date for an individual purchaser of a Strata Lot will occur on the date set out in the Contract of Purchase and Sale (as further described in Section 7.2(3)).

5.2 Warranties

The Developer will arrange for the registration of the Residential Strata Lots under a warranty program with an insurer. The warranty will be offered pursuant to the requirements of the *Homeowner Protection Act* and will cover major structural defects for a period of 10 years, defects in the building envelope, including defects resulting in water penetration, for a period of 5 years, and defects in labour and material for a period of 2 years. Any manufacturers' warranties for appliances and equipment, including common area equipment, will be passed on to the purchasers of Strata Lots or the Strata Corporation, as the case may be, if and to the extent permitted by such warranties.

5.3 Previously Occupied Building

The Development will be newly constructed and therefore the Development will not have been previously occupied.

6 APPROVALS AND FINANCES

6.1 Development Approval

The City of Vancouver has approved in principle Development Permit application No. DE419918 with respect to the Lands which means that a development permit will be issued if certain conditions within the control of the Developer are met. The Developer estimates that the development permit will be issued on or before June 30, 2016. The Developer estimates that the excavation building permit and the to-grade building permit will be issued on or before June 30, 2016 and the final building permit for the Development will be issued on or before September 30, 2016.

An amendment to this Disclosure Statement setting out the particulars of the building permit(s) will be filed with the Superintendent of Real Estate once the building permit(s) have been issued and a copy of such amendment will be delivered to each purchaser within twelve (12) months of the date of this Disclosure Statement. If the Developer has not delivered an amended Disclosure Statement to all purchasers within twelve (12) months of the date of this Disclosure Statement setting out particulars of the building permit(s) referred to above, the Developer will agree to terminate all contracts of purchase and sale

and return all deposits to prospective purchasers in accordance with the contract of purchase and sale attached as Exhibit H and the provisions of Policy Statement No. 5.

6.2 Construction Financing

The Developer is currently reviewing its options for financing the construction of the Development, which financing will be secured by the registration of Future Financial Encumbrances against title to the Lands (see clause (c) of Section 4.4 Proposed Encumbrances). Once the Developer has chosen its lender(s), it anticipates the lender(s) will, prior to advancing funds to the Developer, have a pre-sale condition which the Developer must satisfy.

An amendment to this Disclosure Statement setting out the particulars of the satisfactory financing commitment will be filed with the Superintendent of Real Estate once the financing has been obtained and a copy of such amendment will be delivered to each purchaser within twelve (12) months of the date of this Disclosure Statement. If the Developer has not delivered an amended Disclosure Statement to all purchasers within twelve (12) months of the date of this Disclosure Statement confirming that the Developer has a satisfactory financing commitment and that financing conditions, if any, have been met, the Developer will agree to terminate all contracts of purchase and sale and return all deposits to prospective purchasers in accordance with the contract of purchase and sale attached as Exhibit H and the provisions of Policy Statement No. 6.

In connection with the existing financing and the financing obtained to complete the construction of the Development, title to the Strata Lots may be subject to construction security including a mortgage, assignment of rents and other security reasonably required by the lenders with respect to such financing. The Developer will cause the lenders to provide a partial discharge of such construction security in respect of any Strata Lot within a reasonable period after the completion of the purchase and sale thereof.

6.3 Interest upon Destruction

The voluntary winding-up of the Strata Corporation in the case of destruction of the Development, in whole or in part, or for any other reason, requires a unanimous resolution of the Strata Corporation and the approval of the Land Title Office registrar. In the event of the winding-up of the Strata Corporation and cancellation of the Strata Plan, each Owner would become a tenant in common with each other owner of all of the lands within the Strata Plan, land owned by the Strata Corporation but not shown on the Strata Plan and personal property held by or for the Strata Corporation. Under the *Strata Property Act*, every Owner's share of the property and assets of the Strata Corporation in the event of winding-up will be determined on the basis of municipally assessed values, or appraised values, if there are no municipal assessments. Until assessed values have been issued by the Assessment Authority, appraised values will apply.

7 MISCELLANEOUS

7.1 Deposits

All deposits and other monies received shall be held in trust by Fasken Martineau DuMoulin LLP in accordance with the terms of the contract of purchase and sale and the *Real Estate*

Development Marketing Act until such time as the Final Strata Plan has been deposited for registration in the appropriate Land Title Office, the Strata Lot purchased is capable of being occupied and an instrument evidencing the interest of the purchaser in the Strata Lot has been filed for registration in the appropriate Land Title Office, or the contract has been earlier terminated.

The Developer may enter into a deposit protection contract, which is an insurance contract or other form of security agreement with an approved insurer as required by the *Real Estate Development Marketing Act*, pursuant to which the deposits paid by purchasers of the Strata Lots may be released to the Developer. Upon the Developer entering into a deposit protection contract with respect to the deposits (or any portion thereof) the deposits (or any portion thereof) can be released by the deposit holder to the Developer and used for purposes related to the Development in accordance with the *Real Estate Development Marketing Act*. The deposit protection contract will be effective on the date on which the deposit is released from trust and the insured coverage will be in the amount of the purchaser's deposits released from trust. If the Developer enters into a deposit protection contract, the Developer will file and deliver an amendment to this Disclosure Statement describing the subject matter, terms of the insurance, the aggregate and per claim limits of the insurance along with the name and business address of the insurer and the date on which the insurance takes effect.

7.2 Purchase Agreement

(1) Form of Contract of Purchase and Sale

The form of Contract of Purchase and Sale (the "**Contract**") which the Developer intends to use for sale of Strata Lots after the date of this Disclosure Statement is attached as Exhibit H. The Developer may modify the form of the Contract from time to time.

(2) Sections 1, 5, 8, 9 and 16 – Termination of Contract

Section 1 of Addendum "A" provides that if the completion date has not occurred by December 31, 2018 that the Contract may be terminated and the deposit paid under the Contract returned. Such date may be extended as described in further detail in Section 7.2(3) below.

Section 5 of Addendum "A" provides that the Developer shall have the right to terminate the Contract if the Developer has not met the requirements of its construction lender(s) for financing the construction of the Development or if the full building permit has not been issued on or before March 31, 2017. Section 5 of Addendum "A" further provides that the Developer shall have the right to terminate the Contract if the Final Strata Plan has not been filed in the Land Title Office or the occupancy permit permitting issuance of the Strata Lots has not been issued by the City of Vancouver by October 31, 2018.

Section 8 of Addendum "A" provides that the Contract will:

- (a) be terminable at the option of the purchaser for a period of seven (7) days after the receipt of the amended Disclosure Statement if layout or size of the Strata Lot, the construction of a major common facility, or the general layout of the Development is materially changed by the issuance of the building permit(s);

- (b) be terminable at the option of the purchaser if the amendment to the Disclosure Statement setting out the particulars of the building permit(s) is not received within twelve (12) months after the date of the initial Disclosure Statement;
- (c) be terminable at the option of the purchaser if the amendment to the Disclosure Statement setting out the particulars of the satisfactory financing commitment is not received within twelve (12) months after the date of the initial Disclosure Statement;

Section 9 of Addendum “A” provides that the Developer may terminate the Contract if all payments on account of the Purchase Price and any other monies payable by the purchaser pursuant to the Contract are not paid when due as such date may be extended.

Section 16 of Addendum “A” provides that upon a request for consent to an assignment to a person other than a spouse, parent, child, grandparent or grandchild, the Developer may, within two (2) business days of receipt of the request for consent, deliver written notice to the Purchaser that the Developer elects to terminate the Contract provided that the Developer will pay to the Purchaser the amount of any consideration (the “**Assignment Consideration**”) proposed to be paid by the assignee to the Purchaser for the assignment of the Contract.

(3) Section 1 (Addendum “A”) – Completion Date

This section provides that the completion date is to be not less than 10 days after notice from the Developer or its solicitors that the Strata Lot is ready to be occupied; provided that such notice may be based on the Developer’s estimate of when the Strata Lot is going to be ready to be occupied and if by such estimated date, the Strata Lot is not ready for occupation, the Developer may delay such date by notice to the purchaser or its solicitors. The estimated completion date as of the date of this Disclosure Statement is between March 1, 2018 and May 31, 2018 (the “**Estimated Completion Date**”). The section provides that if the completion date has not occurred by December 31, 2018 (the “**Outside Date**”) that the Contract will be terminated and the deposit paid under the Contract returned. The section provides further that the Developer may extend the Outside Date (a) at the Developer’s option for up to three (3) consecutive periods up to 120 days each; and (b) due to delay in completion of construction caused by events such as earthquake, floods, strikes, act of any governmental authority, delays in obtaining labour or materials, etc., for a period equivalent to such delay. The Estimated Completion Date is an estimate only and may change as a result of construction factors and/or market conditions and may be advanced or delayed from time to time. The actual completion date pursuant to the Contract may occur before or after the Estimated Completion Date and will be established in the notice delivered by the Developer pursuant to Section 1 of Addendum “A” of the Contract.

Section 9(b) of Addendum “A” to the Contract provides that if the purchaser fails to make payments on account of the purchase price when due, that the Developer may elect to extend the completion date to a date determined by the Developer and in such event the purchaser will pay, with the purchase price, interest on the unpaid amounts of the purchase price at a rate of 2% per month (24% per annum) from the date such sum was due until paid. The Purchaser has no right to extend the Completion Date.

(4) Section 17 (Addendum “A”) – Assignment

This section provides that a purchaser may not assign its interest in the Strata Lot or in the Contract for a period of six (6) months following the date the Contract was entered into and thereafter only if (i) the Deposit under the Contract then due is fully paid; (ii) the Developer’s form of assignment is used; (iii) any consideration paid to the Purchaser for such assignment is paid to the Vendor; and (iv) the Purchaser has obtained the written consent of the Developer, such consent to be in the Developer’s sole discretion and may arbitrarily be withheld or conditioned. Upon a request for consent to an assignment to a person other than a spouse, parent, child, grandparent or grandchild, the Developer may, within two (2) business days of receipt of the request for consent, deliver written notice to the Purchaser that the Developer elects to terminate the Contract provided that the Developer will pay to the Purchaser the amount of any consideration proposed to be paid by the assignee to the Purchaser for the assignment of the Contract. Unless the Developer so consents, the Developer will not be required to convey the Strata Lot to anyone other than the purchaser named therein. In the event the Developer consents to the assignment, the Developer may, at its option, charge an administration fee equal up to two (2%) percent of the purchase price (plus GST) as consideration for agreeing to the assignment of the purchaser’s interest in the Strata Lot or in the Contract and for any associated legal and administrative costs; provided that if the assignee is the purchaser’s spouse, parent, child, grandparent or grandchild the administration fee is \$500 (plus GST), which charge may be waived at the discretion of the Developer. Following any assignment, the assignor will not be relieved of its obligations under the Contract, but will continue to remain liable to perform all obligations of the purchaser under such Contract. The purchaser will not advertise or solicit offers from the public or use the Multiple Listing Service ® (MLS) with respect to the assignment or resale of the Strata Lot by the purchaser before the Completion Date without the express written consent of the Developer, which consent may be arbitrarily withheld.

(5) Section 3 (Addendum “A”) – Interest on Deposit

Section 3 of Addendum “A” to the Contract provides that the deposit paid under the Contract will be deposited in a trust account. The Vendor can elect but is not obligated to deposit the deposit paid under the Contract into a trust account bearing interest with interest to accrue to the benefit of the Developer; provided that if the purchaser fails to complete the purchase under the Contract, the deposit will be forfeited to the Developer.

7.3 Developer’s Commitments

The Developer has not made any commitments to be met after completion of the sales of the Strata Lots to purchasers, except as disclosed herein. The Developer intends to enter into, or cause the Strata Corporation to enter into, such agreements as the Developer deems necessary or desirable for the proper operation and maintenance of the Development, which may include agreements relating to the following matters:

- (a) annual building envelope inspections;
- (b) maintenance and rental agreement with respect to equipment included in the Common Property;

- (c) fire alarm monitoring;
- (d) landscaping maintenance;
- (e) garbage disposal and recycling;
- (f) mechanical and electrical servicing;
- (g) telecommunications services;
- (h) enter phone system and common area security system lease and monitoring;
- (i) elevator servicing;
- (j) window cleaning and janitorial services; and
- (k) snow removal.

7.4 Other Material Facts

(1) Developer May Retain Strata Lots

The Developer may retain Strata Lots in the Development for use as sales and administrative offices and/or display suites for marketing purposes or otherwise. While the Developer is the owner of any Strata Lots in the Development, the Developer may carry out marketing, promotional and sales activities within the Common Property of the Development or Strata Lots owned or leased by the Developer, including, without limitation, maintaining display suites, other display areas, parking areas and signage (including signage on the exterior of the Development) and permitting public access to same for the purpose of marketing any unsold Strata Lots. The Developer may conduct tours of the Development from time to time with prospective purchasers and hold events and other activities within the Development from time to time with prospective purchasers in connection with the marketing and sales activities. The Developer may cause the Strata Corporation to enter into a marketing licence agreement with the Developer in order to permit the Developer and its marketing agents to conduct the activities described in this Section 7.4(1).

(2) Commercial Strata Lots

The Developer intends to sell and/or lease the Commercial Strata Lots to purchaser(s) and/or tenant(s) which will use them for retail or other commercial purposes in accordance with the zoning bylaw of the City of Vancouver and Proposed Bylaws.

(3) Neighbouring Land Uses

The Developer makes no representations as to neighbouring land use, views and sightlines from the Development, and tree coverage. The purchasers must conduct their own due diligence in respect of any such matters.

(3) Commercial Strata Lots Improvements

There may be separate occupancy permits issued for each of the Residential Strata Lots and the Commercial Strata Lots. The construction within the Commercial Strata Lots may not be completed prior to the completion of the sale of Residential Strata Lots to purchasers. As such there may be from time to time related construction noise, dust and dirt in proximity to the Development while the improvements within the Commercial Strata Lots are completed.

(4) Ongoing Construction

The Developer may continue to carry out construction work on the Development after the completion of the purchase of the Strata Lot by the Purchaser. Such work may cause an inconvenience to the use and enjoyment of the Strata Lot. The purchaser will not be permitted to impede or interfere with the Developer's completion of construction of other strata lots, the Common Property or the Development.

(5) Right of Developer to Withdraw

If the Developer has not fulfilled the construction lender's preconditions for funding in its construction financing commitment and a full building permit for the Development is not issued by March 31, 2017, the Developer may cancel the Contract and the Deposit will be returned forthwith to Purchaser.

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 the 19th day of May, 2016.

Beneficial Developer:

LIVING MIDTOWN 2 DEVELOPMENT LIMITED PARTNERSHIP by its general partner PORT CAPITAL DEVELOPMENT (MID2) INC.

Directors of PORT CAPITAL DEVELOPMENT (MID2) INC. in their personal capacity

Per: [Signature]
Authorized Signatory

Per: [Signature]
Macario Teodoro Reyes

Per: [Signature]
Authorized Signatory

Per: [Signature]
Robert Scott Vrooman

SOLICITOR'S CERTIFICATE

IN THE MATTER OF THE REAL ESTATE
ACT AND THE DISCLOSURE
STATEMENT FOR THE PROPERTY
LEGALLY DESCRIBED AS:

City of Vancouver
Parcel Identifier: 029-823-536
Lot A Block 156 District Lot 264A Group 1
New Westminster District Plan EPP56692

I, Sarah Batut, Solicitor, a member of the Law Society of British Columbia, having read over the above described Disclosure Statement dated May 19, 2016 made any required investigations in public offices, and reviewed same with the Developer therein named, and that the facts contained in paragraphs 4.1, 4.2 and 4.3 of the Disclosure Statement are correct.

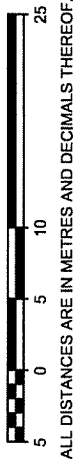
DATED at Vancouver, British Columbia on May 19, 2016.


Sarah Batut

PRELIMINARY STRATA PLAN OF LOT A, Bk 156, DL 264A, G1, NWD, PLAN EPP56692.

MIDTOWN MODERN - 630 EAST BROADWAY STREET
CITY OF VANCOUVER

SCALE 1:400

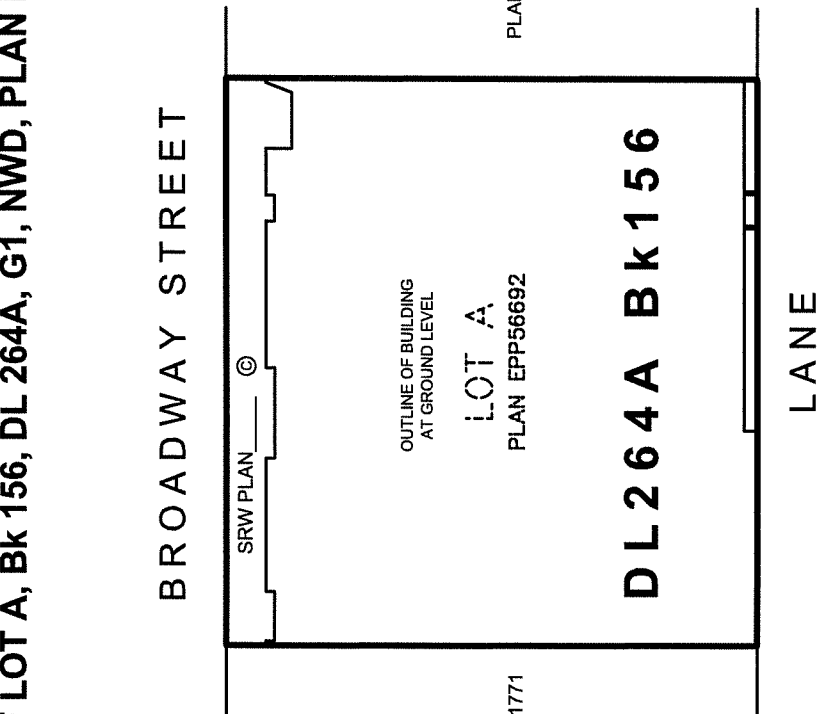


LEGEND

- A - DENOTES AREA
- PT - DENOTES PART
- OTB - DENOTES OPEN TO BELOW
- © - DENOTES COMMON PROPERTY
- Ⓔ - DENOTES ELECTRICAL COMMON PROPERTY
- Ⓝ - DENOTES VENT COMMON PROPERTY
- Ⓟ - DENOTES BALCONY LCP FOR SL 20 (TYPICAL)
- Ⓠ - DENOTES DECK LCP FOR SL 10 (TYPICAL)
- Ⓡ - DENOTES PATIO LCP FOR SL 1 (TYPICAL)
- Ⓢ - DENOTES STAIRS LCP FOR SL 40 (TYPICAL)
- Ⓣ - DENOTES LCP FOR RESIDENTIAL STRATA LOTS, BEING SL 1 TO SL 50
- Ⓤ - DENOTES LCP FOR COMMERCIAL STRATA LOTS, BEING SL 51 TO SL 52
- Ⓥ - DENOTES ELEVATOR LCP FOR RESIDENTIAL STRATA LOTS BEING SL 1 TO SL 50
- Ⓦ - DENOTES STAIR LCP FOR RESIDENTIAL STRATA LOTS BEING SL 1 TO SL 50
- Ⓧ - DENOTES PLANTER LCP FOR RESIDENTIAL STRATA LOTS BEING SL 1 TO SL 50
- Ⓨ - DENOTES ELEVATOR LCP FOR COMMERCIAL STRATA LOTS BEING SL 51 TO SL 52

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NOTE:
FLOOR PLANS SHOWN ARE BASED ON DETAILS OR INFORMATION FROM STUDIO B ARCHITECTS.
PLANS (DIGITAL COPY) RECEIVED: APRIL 14, 2016.

REVISION: MAY 9, 2016

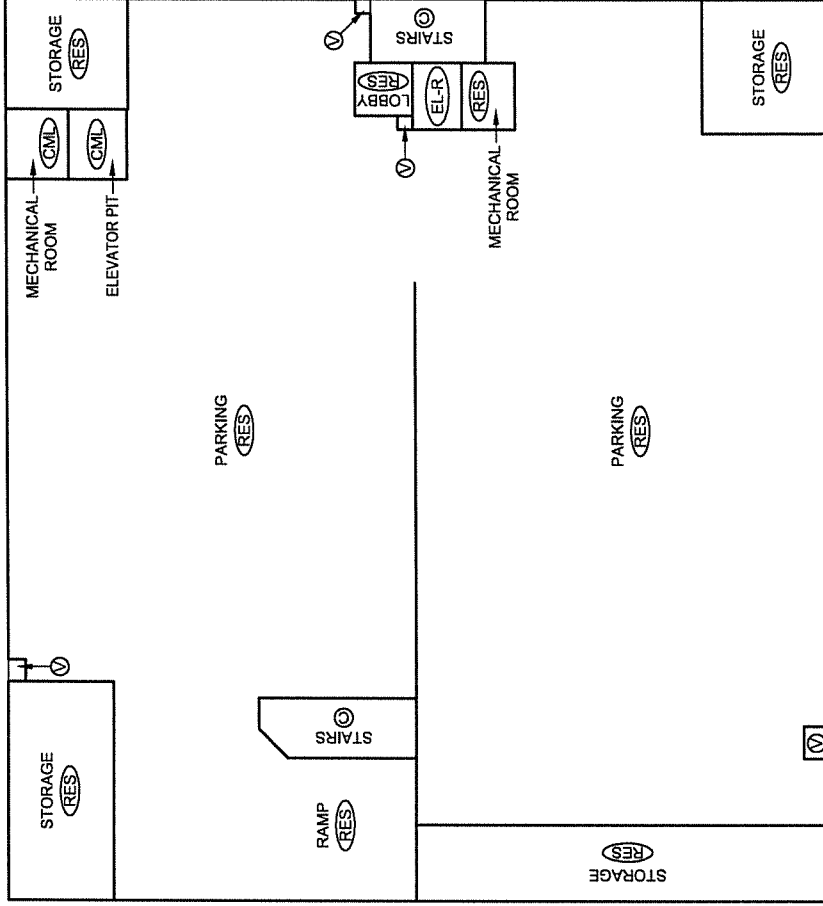
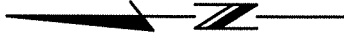
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PARKING LEVEL P2 FLOOR PLAN

SCALE 1:250



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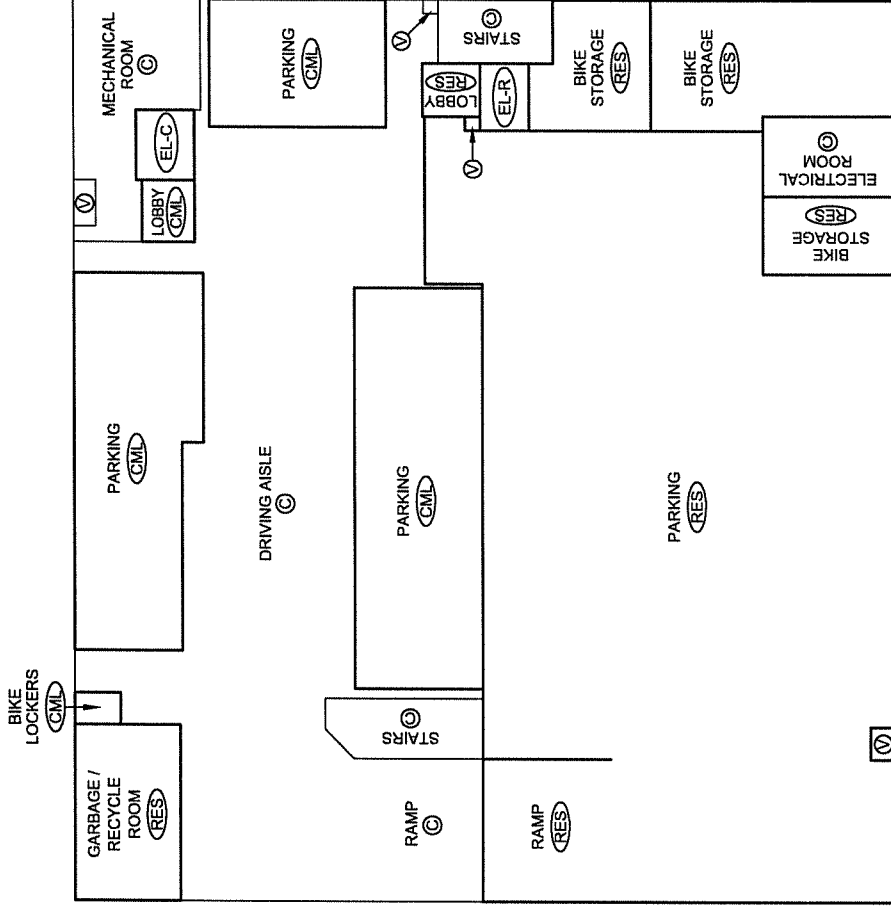
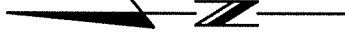
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PARKING LEVEL P1 FLOOR PLAN

SCALE 1:250



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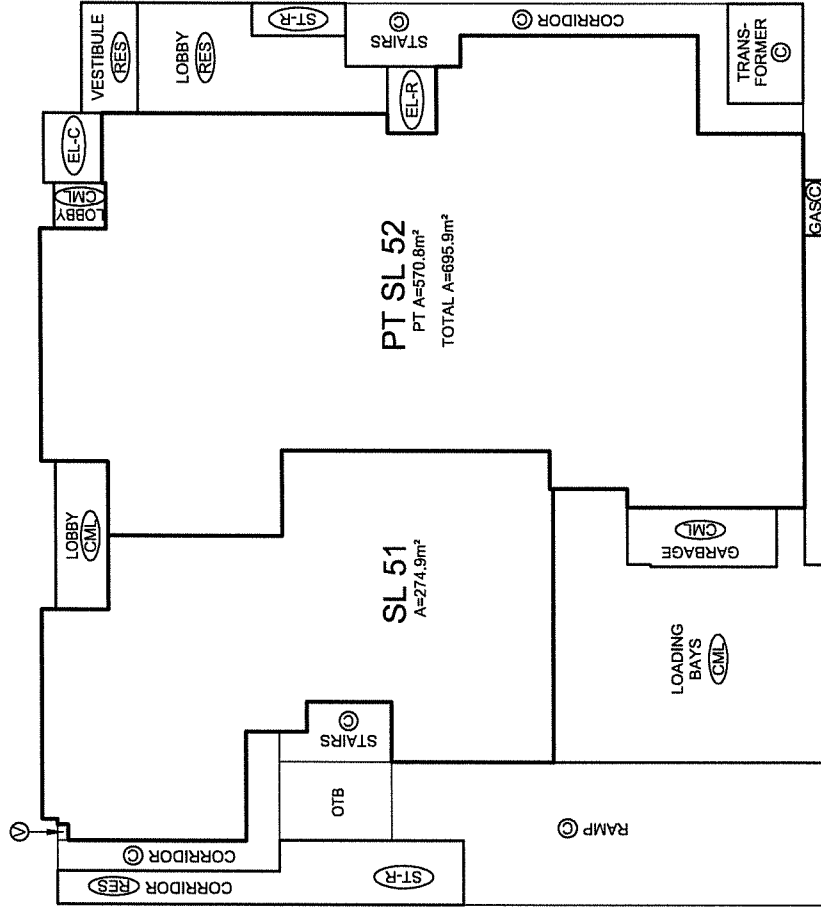
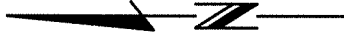
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LEVEL 1 - MAIN FLOOR PLAN

SCALE 1:250



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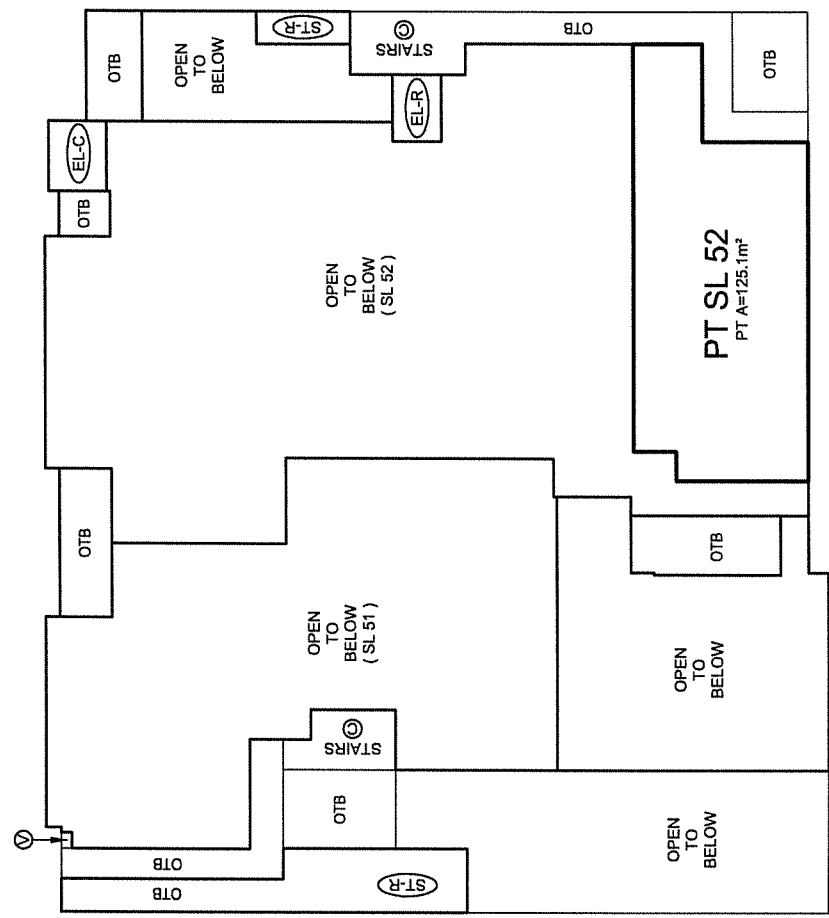
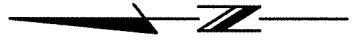
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LEVEL 1 - MEZZANINE FLOOR PLAN

SCALE 1:250



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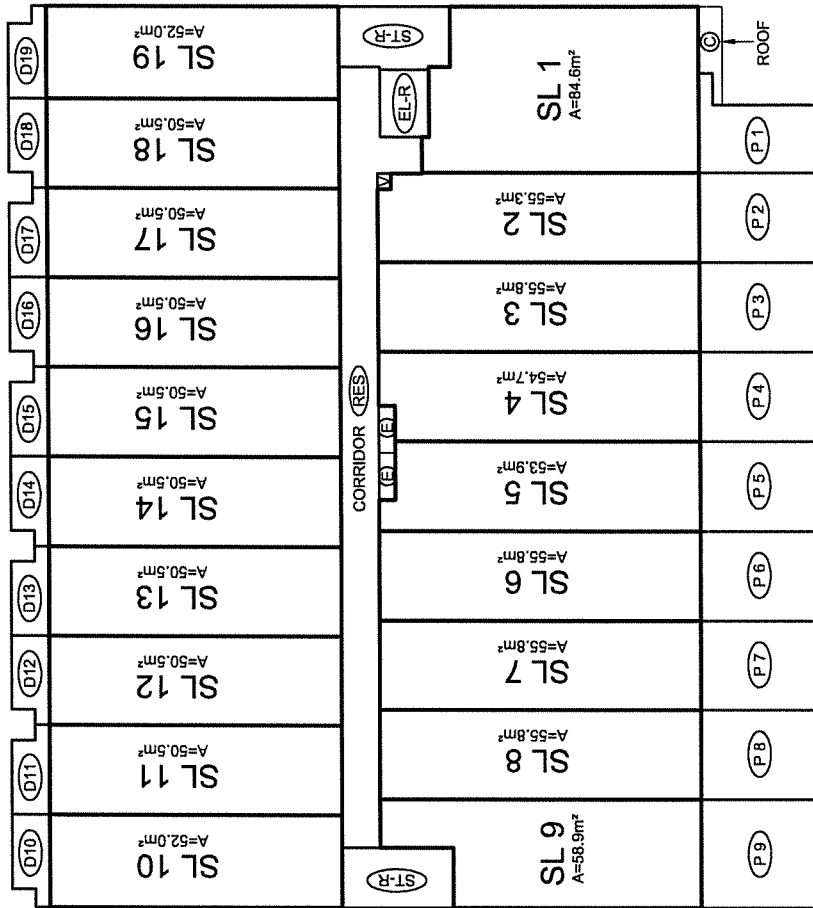
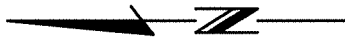
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LEVEL 2 FLOOR PLAN

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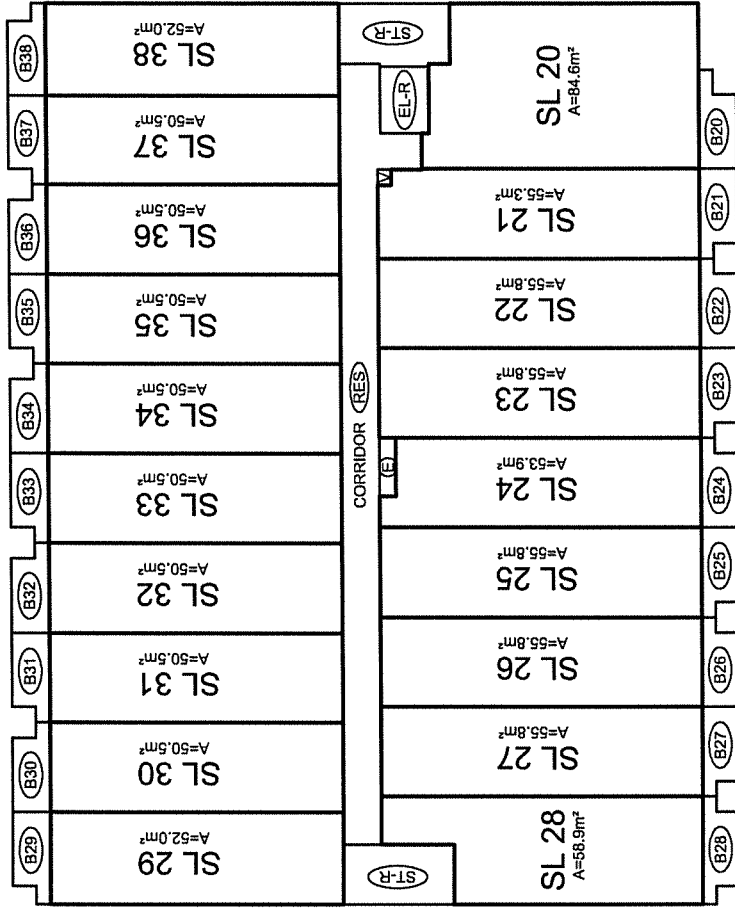
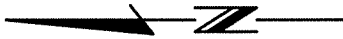
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LEVEL 3 FLOOR PLAN

SCALE 1:250



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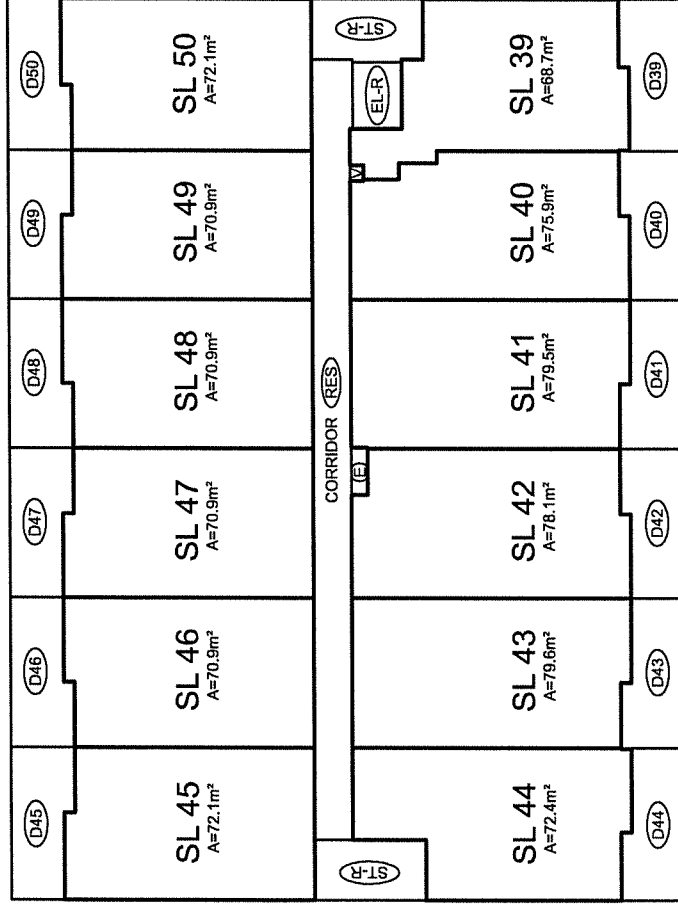
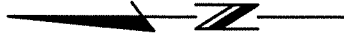
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LEVEL 4 FLOOR PLAN

SCALE 1:250



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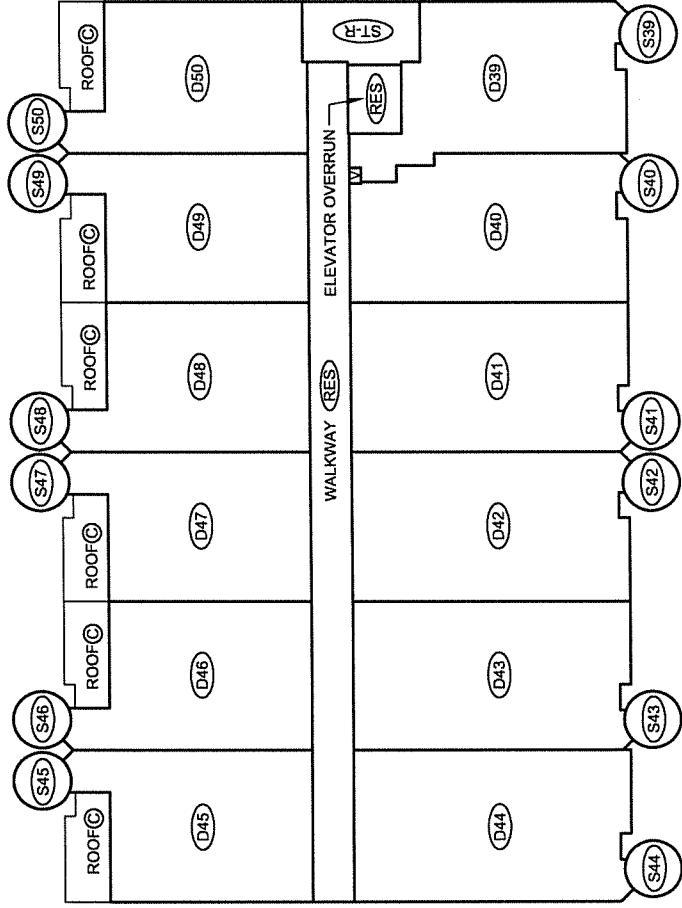
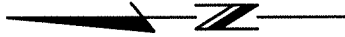
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LEVEL 5 - ROOF PLAN

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EXHIBIT B

Strata Property Act

Form Y

**OWNER DEVELOPER'S NOTICE OF DIFFERENT BYLAWS
(Section 245(d); Regulations section 14.6(2))**

Re: Strata Plan _____, being a strata plan of property legally described as follows:

City of Vancouver
Parcel Identifier: 029-823-536
Lot A Block 156 District Lot 264A Group 1 New Westminster District Plan
EPP56692

The Schedule of Standard Bylaws is deleted and replaced with the following:

STRATA BYLAWS

Unless otherwise stated, all terms used herein that are defined in the *Strata Property Act*, S.B.C. 1998, c. 43 (the "Act") shall have the same meanings herein as in the Act.

These bylaws bind the strata corporation, the sections, and the owners, tenants, employees and occupants of the strata lots to the same extent as if the bylaws had been signed by each such party and contained covenants on the part of each such party with each of the other parties to observe and perform the provisions of these bylaws.

For the purposes of these bylaws, "residents" means collectively, owners, tenants and occupants and, unless the context requires otherwise, includes non-resident owners of strata lots.

The Schedule of Standard Bylaws in the Act does not apply to the strata corporation.

PART 1 - Duties of Owners and Residents of all Strata Lots

Payment of strata fees

- 1.1**
- (1) An owner must pay strata fees and section fees on or before the first day of the month to which the strata fees relate.
 - (2) If an owner is late in paying his or her strata fees, section fees or a special levy the owner must pay interest on the late payment in the amount of ten (10%) percent per annum compounded annually and calculated on a monthly basis, commencing from the date the payment was due, and continuing until the last day of the month in which it is paid.
 - (3) An owner must provide the strata corporation or its agent with written authorization for monthly automatic debit from the owner's bank account for

strata fees and section fees. An owner will be charged a fifty dollars (\$50) administration fee for each dishonoured cheque.

- (4) A special levy is due and payable on the date or dates noted in the resolution authorizing the special levy.
- (5) Where an owner fails to pay a special levy in accordance with bylaw 1.1(4), the owner must pay to the strata corporation interest on the late payment in the amount of ten (10%) percent per annum compounded annually and calculated on a monthly basis, commencing from the date the payment was due, and continuing until the last day of the month in which it is paid.

Sections

- 1.2 (1) The owner of all the non-residential strata lots, being strata lots ___ and ___, will form a separate section within the strata corporation (the "Commercial Section") bearing the name "Section 1 of The Owners, Strata Plan _____".
- (2) The owners of all the residential strata lots, being strata lots ___ to ___ inclusive, will form a separate section within the strata corporation (the "Residential Section") bearing the name "Section 2 of The Owners, Strata Plan _____".
- (3) Each of the Commercial Section and the Residential Section shall have the powers and duties specified in the Act, as amended from time to time.
- (4) Any entrance ways which are for the exclusive use of either separate section will be designated as limited common property for strata lots in the applicable section and therefore access to each section will be limited to their respective strata lot owners so that the common areas in each (such as any recreation and storage areas in the Residential Section and entrances, lobbies, corridors, utility rooms, elevators and other common areas in each section) will be for the exclusive use of all of the owners of the strata lots within the Residential Section or the Commercial Section, as applicable.
- (5) The executive of each section will prepare an annual budget of section expenses which shall be approved at the annual general meeting of that section.
- (6) The owners of each section shall pay, and the strata corporation shall collect, section fees payable in accordance with the annual budget of the section, together with strata corporation fees payable under the annual budget of the strata corporation.
- (7) Upon receipt each month of section and strata corporation fees from the owners, the strata corporation will deposit into separate accounts, the portions of such fees which are respectively applicable to the strata corporation operating fund, the strata corporation contingency reserve fund, the Residential Section operating

fund, the Residential Section contingency reserve fund, the Commercial Section operating fund and the Commercial Section contingency reserve fund.

- (8) Special levies approved by a section will be payable by the owners in such section to the strata corporation, which will pay such special levy into the operating fund or the contingency reserve fund of such section, as appropriate.
- (9) At the request of a section, the strata corporation will register a lien against an owner's strata lot if that owner has not paid section fees or a special levy to the strata corporation by the due date thereof in accordance with these bylaws.
- (10) A separate section of the strata corporation may:
 - (a) purchase, hire or otherwise acquire personal property for use by the owners in the separate section in connection with their enjoyment of the limited common property appurtenant to the separate section or to strata lots within the separate section or other assets of the separate section;
 - (b) make such rules and regulations as it may consider necessary or desirable from time to time in relation to the enjoyment, safety and cleanliness of the limited common property appurtenant to the separate section or to strata lots within the separate section, or other assets of the separate section;
 - (c) do all things necessary for the enforcement of the rules and regulations of the separate section, and for the control, management and administration of the limited common property appurtenant to the separate section or to strata lots within the separate section, or other assets of the separate section generally, including removing privileges in use of certain facilities or fixing and collecting fines for contravention of the rules or regulations;
 - (d) make an agreement with any occupier or tenant of the strata lot within the separate section for the provision of amenities or services by it to that strata lot;
 - (e) make an agreement with the owners in any other separate section in connection with the joint use of any facilities which are designated in the strata plan as being limited common property appurtenant to the separate section or to any other separate section;
 - (f) grant to an occupier or tenant of a strata lot within the separate section the right to exclusive use and enjoyment of limited common property appurtenant to the separate section or special privileges in respect thereof, such a grant to be determinable on reasonable notice, unless the separate section by unanimous resolution otherwise resolves.

Repair and maintenance of property by owner

- 1.3** (1) An owner must repair and maintain the owner's strata lot except for repair and maintenance that is the responsibility of the strata corporation, or the section in which the strata lot is included under these bylaws.
- (2) A resident must only permit licensed and qualified plumbers, electricians and other trades to carry out electrical, plumbing or other work in a strata lot and the strata corporation may demand evidence of compliance with the foregoing and, if requested, the resident will provide such evidence.
- (3) A resident must ensure that any maintenance or alteration of a strata lot that affects the building security system or the fire sprinkler system will be carried out by the company retained by the strata corporation to maintain the security and/or fire system.
- (4) An owner who has the use of limited common property must repair and maintain it, except for repair and maintenance that is the responsibility of the strata corporation, or the section in which the strata lot is included under these bylaws.

Use of property

- 1.4** (1) A resident or any of his or her visitors, customers or clients must not use a strata lot, the common property or common assets in a way that:
- (a) causes a nuisance, disturbance or hazard to another person,
 - (b) causes unreasonable or repetitive noise,
 - (c) results in excessive or disproportionate use of the common property or common facilities,
 - (d) unreasonably interferes with the rights of other persons to use and enjoy the common property, common assets or another strata lot,
 - (e) is illegal, immoral or injurious to the reputation of the building, or
 - (f) is contrary to a purpose for which the strata lot, common property or limited common property, as the case may be, are intended to be used as shown expressly or by necessary implication on or by the strata plan..
- (2) A resident or visitor must not cause damage, other than reasonable wear and tear, to the common property, common assets or those parts of a strata lot which the strata corporation must repair and maintain under these bylaws or insure under the Act.

- (3) When the purpose for which a strata lot is intended to be used is shown expressly or by necessary implication on or by the registered strata plan, an owner shall not use his strata lot for any other purpose or permit it to be so used.
- (4) An owner is responsible for any damage caused by occupants, tenants or visitors to the owner's strata lot.
- (5) An owner will not install hard floor surfaces such as hardwood floors or tile in his or her strata lot without the prior written consent of the strata corporation, such consent not to be unreasonably withheld. The strata corporation may require an owner, when installing hard floor surfaces, to install sound dampening material or other sound dampening measures.
- (6) An owner shall indemnify and save harmless the strata corporation and the sections from the expense of any maintenance, repair or replacement rendered necessary to the common property, limited common property, common assets or to any strata lot by the owner's acts, omissions, negligence or carelessness or by that of any owner's visitors, occupants, guests, employees, agents, tenants or a member of the owner's family, but only to the extent that such expense is not reimbursed from the proceeds received by operation of any insurance policy carried by the strata corporation or section, as applicable and as the case may be. In such circumstances any insurance deductible paid or payable by the strata corporation or section shall be considered an expense not covered by the proceeds received by the strata corporation or section as insurance coverage and will be charged to the owner.

Inform strata corporation

- 1.5**
- (1) Within two (2) weeks of becoming an owner, an owner must inform the strata corporation of the owner's name, strata lot number and mailing address outside the strata plan, if any.
 - (2) Prior to a tenant occupying a strata lot, the owner must cause the tenant to inform the strata corporation of his or her name and to complete and deliver to council a Notice of Tenant Responsibilities (Form K).
 - (3) On request by the strata corporation, a tenant must inform the strata corporation of the tenant's name and the strata lot which the tenant occupies.

Obtain approval before altering a strata lot

- 1.6**
- (1) An owner of a strata lot within the Commercial Section must obtain the approval of the Commercial Section before making or authorizing an alteration to a strata lot.
 - (2) An owner must obtain the written approval of the strata corporation before making or authorizing an alteration to a strata lot that involves any of the following:

- (a) the structure of a building;
 - (b) the exterior of a building;
 - (c) anything attached to the exterior of a building;
 - (d) doors or windows on the exterior of a building or that front on the common property;
 - (e) fences, railings or similar structures to enclose a patio, balcony or terrace;
 - (f) the finishing surface of the patio, balcony or terrace (including any paver stones or granite);
 - (g) common property located within the boundaries of a strata lot;
 - (h) parts of the strata lot which the strata corporation must insure under the Act including, without limitation, fixtures and life safety systems installed by the owner developer as part of the original construction of a strata lot.
- (3) The strata corporation or section, as the case may be, must not unreasonably withhold its approval under bylaw 1.6(2), but may require as a condition of approval that the owner agree, in writing, to take responsibility for any expenses relating to the alteration and to indemnify and hold harmless the strata corporation for any future costs in connection with the alteration.
- (4) An owner intending to apply to the strata corporation or section, as the case may be, for permission to alter a strata lot must submit, in writing, detailed plans and a written description of the intended alteration.
- (5) An owner must not do, or permit any occupant of his strata lot or any visitor, employee, agent or invitee of the owner or occupant to do, any act, or alter, or permit any occupant of his strata lot or any visitor, employee, agent or invitee of the owner or occupant to alter, his strata lot in any manner which, in the opinion of the council, will alter the exterior appearance of the building.
- (6) Contractor hours of operations are confined to the hours set out in the City of Vancouver Noise Control Bylaw only. Notification must be provided to the strata corporation by the strata lot owner of any contractor's plans and purpose and for permission for elevator use, protection and padding. All contractors must retain a minimum liability coverage of \$2 million. All refuse must be removed offsite and not placed in the strata corporation garbage bins. Any weekend work must be approved in advance by the Strata Council.

Obtain approval before altering common property

- 1.7** (1) An owner must obtain the written approval of the section in which the strata lot is located and the strata corporation before making an alteration to common

property, including limited common property, or common assets; provided that alterations to limited common property of the strata lot or of the section in which it is located, that are not structural and do not affect building systems used by the other section shall only require the approval of the applicable section.

- (2) The strata corporation or section, as the case may be, may require as a condition of its approval that the owner agree, in writing, to take responsibility for any expenses relating to the alteration and to indemnify and hold harmless the strata corporation for any future costs in connection with the alteration.

Permit entry to strata lot

- 1.8 (1) A resident or visitor must allow a person authorized by the section in which the strata lot is located or the strata corporation to enter the strata lot:
 - (a) in an emergency, without notice, to ensure safety or prevent significant loss or damage, and
 - (b) at a reasonable time, on forty-eight (48) hours' written notice,
 - (i) to inspect, repair, renew, replace or maintain common property, common assets and any portions of a strata lot that are the responsibility of the strata corporation or section to repair, replace, renew and maintain under these bylaws or insure under the Act, and
 - (ii) to ensure compliance with the Act and the bylaws.
- (2) The notice referred to in subsection (1) (b) must include the date and approximate time of entry, and the reason for entry.
- (3) In the event of an emergency and if the strata corporation or section, as the case may be, is unable to contact the owner of the strata lot, the strata corporation or section may force entry into the strata lot and the owner may be responsible for all costs of forced entry incurred by the strata corporation or section.
- (4) In exercising its rights under this bylaw, the strata corporation or section, as the case may be, will not unreasonably interfere with the operation of any resident of a commercial strata lot.

Compliance with bylaws

- 1.9 A resident or visitor must comply strictly with these bylaws and with any rules adopted by the strata corporation or section applicable to such owner from time to time.

Pets

- 1.10** (1) Neither a resident of a strata lot in the Residential Section nor any of his or her visitors shall:
- (a) keep any animals or pets (collectively a “**Pet**”) in or about the strata lot or limited common property for that strata lot other than one or more of the following, which must be kept in accordance with any bylaws or other applicable laws of any governmental authority, including the City of Vancouver:
 - (i) a reasonable number of fish or other small aquarium animals;
 - (ii) a reasonable number of small caged animals;
 - (iii) two (2) cats; or
 - (iv) two (2) dogs; or
 - (v) one (1) cat and one (1) dog;
 - (b) permit any Pet on the common property, limited common property of the Residential Section, or on land which is a common asset, unless such Pet is leashed and accompanied by an adult person; it will be the responsibility of the owner to pay for the cost of repair or clean up of any common property or common asset which is damaged, destroyed or soiled by the owner’s Pet;
 - (c) permit a Pet on the common property located on the common terrace on level 1 (and amenity garden on level 2);
 - (d) permit any Pet to urinate or defecate on the common property or on any limited common property, and if any pet does urinate or defecate on common property or on any limited common property, the resident will immediately and completely remove all of his or her pet’s waste from the common property or limited common property, as the case may be, and dispose of it in a waste container or by some other sanitary means and if, in the reasonable opinion of the strata corporation, any special cleaning is required as a result of the pet urinating or defecating, the owner or occupant will pay all costs of such special cleaning; and
 - (e) harbour exotic pets, including but not limited to, snakes, reptiles, spiders or large felines.

Claims on insurance policies

- 1.11** A resident must not do, or omit to do, whether deliberately or accidentally, any act which would result in a claim being made on the insurance policy of the strata corporation or section, as the case may be.

PART 2 - Powers and Duties of Strata Corporation and Sections

Repair and maintenance of property by strata corporation and sections

- 2.1** The strata corporation must repair and maintain all of the following:

- (a) common assets of the strata corporation;
- (b) common property that has not been designated as limited common property and that is not common property servicing only a section or effectively controlled, managed and administered by a section;
- (c) limited common property that has been designated as limited common property and common property servicing only a section or effectively controlled, managed and administered by a section, but the duty to repair and maintain it is restricted to:
 - (i) repair and maintenance that in the ordinary course of events occurs less often than once a year, and
 - (ii) the following, no matter how often the repair or maintenance ordinarily occurs:
 - (A) the structure of a building;
 - (B) the exterior of a building;
 - (iii) stairs, balconies and other things attached to the exterior of a building;
 - (iv) doors or windows on the exterior of a building or that front on the common property; and
 - (v) fences, railings and similar structures that enclose patios, balconies and yards.
- (d) a strata lot in a strata plan but the duty to repair and maintain it is restricted to:
 - (i) the structure of a building,
 - (ii) the exterior of a building; and

- (iii) doors or windows on the exterior of a building or that front on the common property.

2.2 A section must repair and maintain all of the following:

- (a) common assets of the section;
- (b) limited common property that has been designated for the exclusive use of more than one of the strata lots in the section except for repair and maintenance that is the responsibility of the strata corporation; and
- (c) without limiting the generality of the foregoing, except for repair and maintenance that is the responsibility of the strata corporation, each section must:
 - (i) keep in a state of good and serviceable repair and properly maintain the fixtures and fittings, including the elevators, and other apparatus and equipment used in connection with the limited common property appurtenant to more than one of the strata lots the section, common property servicing only the section or effectively controlled, managed and administered by the section, and other assets of the section;
 - (ii) maintain all common areas servicing only the section, both internal and external, including storage public areas, public halls and lobbies; and
 - (iii) control, manage and administer the limited common property appurtenant to the separate section or to a strata lot or strata lots within the separate section, facilities common to the separate section, and other assets of the separate section of the strata corporation for the benefit of all members of the separate section.

Council size

2.3 The council must have at least three (3) and not more than seven (7) members and at least one of its members must be a representative of the Commercial Section and at least one of its members must be a representative of the Residential Section.

Council Eligibility

- 2.4**
- (1) The spouse of an owner or the legally appointed representative of an owner may stand for council.
 - (2) No person may be elected to council or continue to be on council if the strata corporation is entitled to register a lien under the Act against a strata lot in which that person has an interest.

- (3) No person may stand for council or continue to be on council with respect to a strata lot if there are amounts owing to the strata corporation charged against the strata lot in respect of administration fees, bank charges, fines, penalties, interest or the costs, including the legal costs, of remedying a contravention of the bylaws or rules.

Council members' terms

- 2.5**
- (1) The term of office of a council member ends at the end of the annual general meeting at which the new council is elected.
 - (2) A person whose term as council member is ending is eligible for re-election.

Removing council member

- 2.6**
- (1) Unless all the owners are on the council, the strata corporation may, by a resolution passed by a majority vote at an annual or special general meeting, remove one or more council members. In this bylaw 2.6(1), a majority vote means a vote in favour of a resolution by more than one half of the votes cast by eligible voters who are present in person or by proxy at the time the vote is taken and who have not abstained from voting.
 - (2) After removing a council member, the strata corporation must hold an election at the same annual or special general meeting to replace the council member for the remainder of the term.

Replacing council member

- 2.7**
- (1) If a council member resigns or is unwilling or unable to act for a period of two (2) or more months, the remaining members of the council may appoint a replacement council member for the remainder of the term.
 - (2) A replacement council member may be appointed from any person eligible to sit on the council.
 - (3) The council may appoint a council member under this section even if the absence of the member being replaced leaves the council without a quorum.
 - (4) If all the members of the council resign or are unwilling or unable to act for a period of two (2) or more months, persons holding at least twenty-five (25%) percent of the strata corporation's votes may hold a special general meeting to elect a new council by complying with the provisions of the Act, the regulations and the bylaws respecting the calling and holding of meetings.

Officers

- 2.8** (1) At the first meeting of the council held after each annual general meeting of the strata corporation, the council must elect, from among its members, a president and a vice president, and may elect a secretary and a treasurer.
- (2) A person may hold more than one office at a time, other than the offices of president and vice president.
- (3) The vice president has the powers and duties of the president:
- (a) while the president is absent or is unwilling or unable to act,
 - (b) if the president is removed, or
 - (c) for the remainder of the president's term if the president ceases to hold office.
- (4) The council may vote to remove an officer.
- (5) If an officer other than the president is unwilling or unable to act for a period of two (2) or more months, the council members may appoint a replacement officer from among themselves for the remainder of the term.

Calling council meetings

- 2.9** (1) Any council member may call a council meeting by giving the other council members at least one week's notice of the meeting, specifying the reason for calling the meeting.
- (2) The notice does not have to be in writing.
- (3) A council meeting may be held on less than one week's notice if
- (a) all council members consent in advance of the meeting, or
 - (b) the meeting is required to deal with an emergency situation, and all council members either
 - (i) consent in advance of the meeting, or
 - (ii) are unavailable to provide consent after reasonable attempts to contact them.

Requisition of council hearing

- 2.10** (1) By application in writing, stating the reason for the request, a resident may request a hearing at a council meeting.

- (2) If a hearing is requested under subsection (1), the council must hold a meeting to hear the applicant within one (1) month of the request.
- (3) If the purpose of the hearing is to seek a decision of the council, the council must give the applicant a written decision within one (1) week of the hearing.

Quorum of council or section executive

- 2.11** (1) A quorum of the council or a section executive is:
- (a) 1, if the council or executive consists of 1 member;
 - (b) 2, if the council or executive consists of 3 or 4 members;
 - (c) 3, if the council or executive consists of 5 or 6 members; and
 - (d) 4, if the council or executive consists of 7 members.
- (2) Council member or executive members must be present in person at the council meeting to be counted in establishing quorum.

Council meetings

- 2.12** (1) At the option of the council, council meetings may be held by electronic means, so long as all council members and other participants can communicate with each other.
- (2) The council may meet together for the conduct of business, adjourn or otherwise regulate its meetings as it thinks fit.
- (3) If a council meeting is held by electronic means, council members are deemed to be present in person.
- (4) Owners, spouses of owners and legally appointed representatives of owners may attend council meetings as observers.
- (5) Despite subsection (4), no observers may attend those portions of council meetings that deal with any of the following:
- (a) bylaw contravention hearings;
 - (b) rental restriction bylaw exemption hearings;
 - (c) any other matters if the presence of observers would, in the council's opinion, unreasonably interfere with an individual's privacy.

Voting at council meetings

- 2.13** (1) At council meetings, decisions must be made by a majority of council members present in person at the meeting.
- (2) If there is a tie vote at a council meeting, the president may break the tie by casting a second, deciding vote.
- (3) The results of all votes at a council meeting must be recorded in the council meeting minutes.

Council to inform residents of minutes

- 2.14** The council must inform residents of the minutes of all council meetings within two (2) weeks of the meeting, whether or not the minutes have been approved.

Delegation of council's powers and duties

- 2.15** (1) Subject to subsections (2) to (4), the council may delegate some or all of its powers and duties to one or more council members or persons who are not members of the council, and may revoke the delegation.
- (2) The council may delegate its spending powers or duties, but only by a resolution that
- (a) delegates the authority to make an expenditure of a specific amount for a specific purpose, or
 - (b) delegates the general authority to make expenditures in accordance with subsection (3).
- (3) A delegation of a general authority to make expenditures must
- (a) set a maximum amount that may be spent, and
 - (b) indicate the purposes for which, or the conditions under which, the money may be spent.
- (4) The council may not delegate its powers to determine, based on the facts of a particular case,
- (a) whether a person has contravened a bylaw or rule,
 - (b) whether a person should be fined, and the amount of the fine, or
 - (c) whether a person should be denied access to an amenity facility.

Spending restrictions

- 2.16** (1) A person may not spend the strata corporation's money unless the person has been delegated the power to do so in accordance with these bylaws.
- (2) Despite subsection (1), a council member may spend the strata corporation's money to repair or replace common property or common assets if the repair or replacement is immediately required to ensure safety or prevent significant loss or damage.

Limitation on liability of council member

- 2.17** (1) A council member who acts honestly and in good faith is not personally liable because of anything done or omitted in the exercise or intended exercise of any power or the performance or intended performance of any duty of the council.
- (2) Subsection (1) does not affect a council member's liability, as an owner, for a judgment against the strata corporation.
- (3) All acts done in good faith by the council are, even if it is afterwards discovered that there was some defect in the appointment or continuance in office of a member of council, as valid as if the council member had been duly appointed or had duly continued in office.

Residential Section Executive

- 2.18** (1) The executive of the Residential Section must have at least 3 and not more than 7 members.
- (2) A member of the Residential Section executive is eligible for election to the strata corporation's council and vice versa.
- (3) Executive members must be present in person at an executive committee meeting to be counted in establishing a quorum.
- (4) Bylaws 2.5 to 2.10 inclusive and 2.12 to 2.17 inclusive shall, with all necessary changes, apply to the executive of the Residential Section.

Commercial Section Executive

- 2.19** (1) The executive of the Commercial Section will consist of at least 1 and not more than 2 members.
- (2) A member of the Commercial Section executive is eligible for election to the strata corporation's council and vice versa.
- (3) Executive members must be present in person at an executive committee meeting to be counted in establishing a quorum.

- (4) Bylaws 2.5 to 2.10 inclusive and 2.12 to 2.17 inclusive shall, with all necessary changes, apply to the executive of the Commercial Section.

Consents

- 2.20**
- (1) Any consent, approval or permission given under these bylaws by the council shall be revocable at any time upon reasonable notice.
 - (2) Notwithstanding any provision of the Act, the strata corporation or a section may proceed under the *Small Claims Act* (British Columbia) against an owner or other person to collect money owing to the strata corporation or section, including money owing as a fine, without requiring authorization by a resolution passed by a 3/4 vote of the strata corporation or section, as the case may be.

PART 3 - Enforcement of Bylaws and Rules

Maximum fine

- 3.1**
- (1) Except where specifically stated to be otherwise in these bylaws, the strata corporation or section may fine a resident:
 - (a) Two hundred dollars (\$200) for each contravention of a bylaw; and
 - (b) Fifty dollars (\$50) for each contravention of a rule.
 - (2) The strata corporation or section must, if it determines in its discretion that a resident is in repeated contravention of any bylaws or rules of the strata corporation or section, levy fines and the fines so levied shall immediately be added to the strata fees for the strata lot and shall be due and payable together with the strata fees for the strata lot in the next month following such contravention.
 - (3) Additional assessments, banking charges, filing costs, legal expenses, interest charges and any other expenses incurred by the strata corporation or section to enforce these bylaws, as they may be amended from time to time, or any rule or regulation which may be established from time to time by the council pursuant to the Act or these bylaws, shall become part of the assessment of the owner responsible and shall become due and payable on the first day of the month next following, except that any amount owing in respect of a fine or the cost of remedying the contravention of a bylaw will be calculated as a separate component of such assessment and the strata corporation may not register a lien against such separate component.
 - (4) Any costs or expenses incurred by the strata corporation or section as a result of an infraction or violation of the bylaws or any rules and regulations established under them, including but not limited to the full cost in repairing any damage to the plumbing, electrical and other systems of the building or other parts of the common property caused by the owner, his employees, agents, invitees, occupants

or tenants, shall be charged to that owner and shall be payable on or before the first day of the month next following the date on which the costs or expenses are incurred.

- (5) Where any claim has been made against the insurance policy of the strata corporation or section as a result of a violation of any of the bylaws or any rule or regulation which may be established from time to time by the council pursuant to the Act or the bylaws, by any resident or its visitors, a sum equal to the amount of the deductible charged by the insurer of the strata corporation or section as a result of the claim shall be payable by the owner of the strata lot and shall become due and payable on the first day of the month next following.

Continuing contravention

- 3.2 If an activity or lack of activity that constitutes a contravention of a bylaw or rule continues, without interruption, for longer than seven (7) days, a fine may be imposed every seven (7) days.

Small Claims Action

- 3.3 Notwithstanding any provision of the Act, the strata corporation may proceed under the *Small Claims Act* (British Columbia) against an owner or other person to collect money owing to the strata corporation, including money owing as a fine without requiring authorization by a resolution passed by a $\frac{3}{4}$ vote.

PART 4 - Annual and Special General Meetings

Quorum of meeting

- 4.1 (1) If within one-half ($\frac{1}{2}$) hour from the time appointed for an annual or a special general meeting, a quorum is not present, the meeting stands adjourned for a further one-half ($\frac{1}{2}$) hour on the same day and at the same place. If within a further one-half ($\frac{1}{2}$) hour from the time of the adjournment a quorum is not present, the eligible votes, present in person or by proxy constitute a quorum.
- (2) This bylaw does not apply to a meeting demanded pursuant to section 43 of the Act and failure to obtain a quorum for a meeting demanded pursuant to section 43 terminates, and does not adjourn, that meeting.

Person to chair meeting

- 4.2 (1) Annual and special general meetings must be chaired by the president of the council or section.
- (2) If the president of the council or section is unwilling or unable to act, the meeting must be chaired by the vice president of the council.

- (3) If neither the president nor the vice president of the council or section chairs the meeting, a chair must be elected by the eligible voters present in person or by proxy from among those persons who are present at the meeting.

Participation by other than eligible voters

- 4.3**
- (1) Residents may attend annual and special general meetings, whether or not they are eligible to vote.
 - (2) Persons who are not eligible to vote, including tenants and occupants, may participate in the discussion at the meeting, but only if permitted to do so by the chair of the meeting.
 - (3) Persons who are not eligible to vote, including tenants and occupants, must leave the meeting if requested to do so by a resolution passed by a majority vote at the meeting.

Voting

- 4.4**
- (1) Except on matters requiring a unanimous vote, the vote for a strata lot may not be exercised if the strata corporation is entitled to register a lien against that strata lot under section 116(1) of the Act.
 - (2) Except on matters requiring a unanimous vote, the vote for a strata lot may not be exercised if there are amounts owing to the strata corporation charged against the strata lot in respect of administration fees, bank charges, fines, penalties, interest or the costs, including the legal costs, of remedying a contravention of the bylaws or rules.
 - (3) At an annual or special general meeting, voting cards must be issued to eligible voters.
 - (4) At an annual or special general meeting a vote is decided on a show of voting cards, unless an eligible voter requests a precise count.
 - (5) If a precise count is requested, the chair must decide whether it will be by show of voting cards or by roll call, secret ballot or some other method.
 - (6) The outcome of each vote, including the number of votes for and against the resolution if a precise count is requested, must be announced by the chair and recorded in the minutes of the meeting.
 - (7) If there is a tie vote at an annual or special general meeting, the president, or, if the president is absent or unable or unwilling to vote, the vice president, may break the tie by casting a second, deciding vote.

- (8) Despite anything in this section, an election of council or removal of a council member must be held by secret ballot, if the secret ballot is requested by an eligible voter.

Order of business

- 4.5** (1) The order of business at annual and special general meetings is as follows:
- (a) certify proxies and corporate representatives and issue voting cards;
 - (b) determine that there is a quorum;
 - (c) elect a person to chair the meeting, if necessary;
 - (d) present to the meeting proof of notice of meeting or waiver of notice;
 - (e) approve the agenda;
 - (f) approve minutes from the last annual or special general meeting;
 - (g) deal with unfinished business;
 - (h) receive reports of council activities and decisions since the previous annual general meeting, including reports of committees, if the meeting is an annual general meeting;
 - (i) ratify any new rules made by the strata corporation or section;
 - (j) report on insurance coverage, if the meeting is an annual general meeting;
 - (k) approve the budget for the coming year, if the meeting is an annual general meeting;
 - (l) report on and approve the maintenance plan for the coming year, if the meeting is an annual general meeting;
 - (m) deal with new business, including any matters about which notice has been given;
 - (n) elect a council, if the meeting is an annual general meeting;
 - (o) terminate the meeting.

Electronic Attendance at Meetings

- 4.6** (1) At the option of council, attendance by persons at an annual or special general meeting may be by telephone or other electronic method if such method permits all persons participating in the meeting to communicate with each other during the meeting.

- (2) If an annual or special general meeting is held by electronic means with a person, the person is deemed to be present in person for the purposes of the meeting.

PART 5 - Common Expenses

Strata fees

- 5.1**
- (1) The strata lot owners' contributions to the common expenses of the strata corporation shall be levied in accordance with this bylaw.
 - (2) The strata lot owners' contributions to the common expenses of the sections shall be levied in accordance with this bylaw.

Apportionment of common expenses

- 5.2**
- (1) Common expenses shall be apportioned between the strata corporation, the Residential Section, the Commercial Section and individual strata lots in the following manner:
 - (a) common expenses attributable to one section only shall be allocated to that section and, subject to bylaws 5.2(3) and 5.2(4), shall be borne by the owners within that section in proportion to the unit entitlement of their strata lot or as otherwise set out in the current budget of the strata corporation;
 - (b) common expenses not attributable to one section only, will be for the account of the strata corporation and will be borne by the owner of each of the strata lots in the proportion that the unit entitlement of such strata lot bears to the aggregate unit entitlement of all strata lots, or as otherwise set out in the current budget of the strata corporation; and
 - (c) common expenses attributable to any one strata lot or particular strata lots or the limited common property of a strata lot or particular strata lots will be allocated to such strata lot or strata lots (in accordance with the formula set out in Regulation 6.4(2) of the Act).
 - (2) Without limiting the generality of subsection (1) the following common expenses will be allocated as follows:
 - (a) expenses relating to areas designated as limited common property of a section or part of a section (such as the lobbies and elevators) will, subject to bylaws 5.2(3) and 5.2(4), be for the account of the owners of strata lots in such section;
 - (b) the cost of insurance placed by the strata corporation will be apportioned between the two sections on the basis of the replacement value of the buildings and ancillary facilities applicable to each section as set by the strata council, acting reasonably; and

- (c) the cost of maintaining the landscaped and other outdoor areas within the common property not included in limited common property shall be for the account of the strata corporation.
- (3) Expenses attributable to limited common property which would not have been expended if the area had not been designated as limited common property shall be borne equally by the owners of the strata lots entitled to use the limited common property.
- (4) Common expenses attributable to strata lots in the Residential Section shall be apportioned by the executive of that section in the following manner:
 - (a) any cost or expense of the operating fund or special levy which relates to and benefits all of the strata lots in the Residential Section shall be shared by the owners of the strata lots with the Residential Section. Each strata lot's share of that operating fund contribution shall be calculated in accordance with the Act;
 - (b) any cost or expense of the operating fund or special levy which relates to and benefits only limited common property that is appurtenant to part only of the Residential Section shall be shared only by owners of the strata lots in the Residential Section entitled to use such limited common property. Each strata lot's share of the contribution shall be calculated in accordance with the formula set forth in Regulation 6.4(1) of the Act;
 - (c) each strata lot's share of a contribution to the contingency reserve fund of the Residential Section shall be shared by all strata lots in the Residential Section in accordance with the formula set forth in the Act; and
 - (d) any apportionment made by the executive of the Residential Section for the purposes of this subsection (4) shall be final and binding on all residents of strata lots within such section.

PART 6 - GENERAL

Use of Property

6.1 A resident of a strata lot will not:

- (1) alter, supplement or remove the window coverings originally installed in the strata lot except, if necessary due to damage or wear, to replace them with substantially similar window coverings in the same colour and style;
- (2) install, drill or otherwise pierce the structure or exterior of the building;
- (3) give or permit any resident or visitor to give any keys, combinations, security cards, fobs or other means of access to the building, the parking stalls or common

areas to any person other than an employee, contractor, occupant or guest of the strata lot permitted by these by-laws;

- (4) use or permit any resident of the strata lot to use the strata lot for any purpose which involves undue traffic and noise in or about the strata lot, common property or limited common property between the hours of 10:30 p.m. and 7:00 a.m. or that encourages loitering by persons in or about the strata lot or common property;
- (5) make or cause or produce or permit any resident of the strata lot or any visitor to make, cause, or produce undue noise, smell, vibration or glare in or about any strata lot, common property or limited common property or do anything which will unreasonably interfere with the any other resident;
- (6) use or permit any resident or visitor to use any musical instrument, amplifier, sound reproduction equipment or other device within or about any strata lot, common property or limited common property such that it causes a disturbance or interferes with the comfort of any other resident;
- (7) leave or permit any visitor to leave on the common property or limited common property any shopping cart or other item designated from time to time by the strata council;
- (8) permit a condition to exist within the strata lot which will result in the waste or excessive consumption of the building's domestic water supply or hot water;
- (9) allow the strata lot to become unsanitary or be a source of odour;
- (10) feed, or permit any visitor, to feed pigeons, seagulls or other birds, rodents, squirrels or animals from the strata lot or anywhere on or in close proximity to the common property or limited common property, but this bylaw will not apply to a Pet permitted to be kept in accordance with these bylaws and the rules and regulations made hereunder, which Pet will only be fed in the strata lot;
- (11) erect, place, keep or display signs, billboards, advertising matter or any other notice or display of any kind on the common property (other than "for sale" signs which may be placed in an area of the common property designated by the council from time to time provided that no such signage will be installed until such time as South Creek Vista Limited Partnership or its assignee has sold the last strata lot owned by it), on limited common property, or in any strata lot, if visible from the outside of the strata lot, provided that the name of any resident, will be included in the index for the enterphone system and may be displayed in the concierge desk computer to be located within the lobby of the building;
- (12) deposit household refuse or garbage, including boxes or packing cases, on or about the common property or limited common property except in places designated by the council from time to time; provided that any materials other than ordinary household refuse and garbage, shall be disposed of either by or at the expense of the owner; or

- (13) move or permit to be moved furniture or furnishings in or out of the building except in accordance with the rules passed by the council from time to time; under no circumstances will any resident use, or permit to be used, the lobby of the building for moving of furniture or furnishings, except during the hours, and on such conditions and subject to such fees as may be imposed by the council from time to time.

Patios and Balconies

- 6.2**
- (1) A resident will not place on any patio or balcony indoor-outdoor carpeting or any items such as hanging baskets or hanging items, without the consent of the Residential Section and such items, if approved, will be installed and used in accordance with the rules and regulations put in place by the strata corporation from time.
 - (2) The strata corporation may impose guidelines for the installation, placement or use of items on the patios, balconies and terraces of strata lots and will be permitted to withhold consent to any request from a resident which does not follow such guidelines.
 - (3) A resident will not at any time place on the balcony, terrace or patio of the strata lot: bicycles, motorcycles, boxes, machinery, garbage/recycling/green waste, equipment, or in any way use such balcony or patio as a storage area.
 - (4) A resident will not at any time hang or drape on the balcony, terrace or patio of the strata lot laundry, clothing, rugs, towels, curtains or wall hangings.
 - (5) A resident will not at any time install or place on the balcony, terrace or patio of the strata lot: satellite dishes, antennae, transmitters, transponders, receivers or other telecommunications equipment.
 - (6) A resident will not at any time install or place in or about the strata lot or on the balcony or patio of any strata lot, any awnings, balcony guards or screens, ventilators, supplementary heating or air conditioning devices, except those installations previously approved in writing by the council.
 - (7) Any barbeque, hibachi or cooking device must be powered by removable propane or electricity (except for any barbeques located on the rooftop terraces which may be hooked up to natural gas) and such propane or electricity powered barbeques, hibachis and cooking devices will be used in accordance with the rules and regulations made by the strata corporation from time to time, which may include rules and regulations regarding location and requirements as to size.
 - (8) Except where the balcony or patio is enclosed as part of the original construction, a resident will not enclose (partially or fully), modify or add to the balcony or patio of the strata lot, and without limitation not to install or place plastic, glass or other material on the balcony or patio to block wind or sun or for any other purpose.

- (9) A resident which does not have an enclosed balcony will not place planters or other such items or equipment within any part of the limited common property designated on the strata plan exclusively for the use of such strata lot unless, in the opinion of the strata council such planters, items or equipment are in keeping with the balance of the development in terms of design, quality, proportion and colour.
- (10) Any planters, items or equipment placed on any patio or balcony will be maintained in good and tidy condition on an ongoing basis and the responsibility of such maintenance will be solely for the account of the resident of the strata lot entitled to the use of the limited common property on which they are placed.

Parking

- 6.3**
- (1) A resident must use parking stalls only for the parking of licensed and insured motor vehicles, trailers or motorcycles and not for the parking of any other type of vehicle or the storage of any other item, unless otherwise approved in writing by the council.
 - (2) A resident shall not:
 - (a) use any parking space in the building or on the common property or on any limited common property except the parking space which such resident is expressly permitted to use;
 - (b) carry out any oil changes, major repairs or adjustments to motor vehicles or other mechanical equipment on common property or on any limited common property except in the case of emergency;
 - (c) rent or lease the parking space which such resident is expressly permitted to use to be regularly used by anyone that is not a resident of the building without the prior written consent of the council;
 - (d) park any vehicle in a manner which will reduce the width of the garage roadway or ramp or any roadway on the common property or on any limited common property;
 - (e) permit any oversized, commercial or recreational vehicles to enter or to be parked or stored on common property, limited common property or land that is common asset, including without limitation, boats, trailers, or campers;
 - (f) store any materials or goods in the parking stalls; or
 - (g) park or store any vehicle that drips oil or gasoline.

- (3) A resident or visitor must not use any parking area as a work area for carpentry, renovations, repairs or work on vehicles involving any automotive fluids or paints, motor tune ups or mechanical repairs.
- (4) Any resident's vehicle that is parked in violation of subsection (2)(d) will be subject to removal by a towing company authorized by council, and all costs associated with such removal will be charged to the owner of the strata lot.

Parking/Storage Area Lease

- 6.4** (1) Each strata lot may be entitled to the exclusive use of zero, one or more of the parking stalls, bicycle/storage lockers in the parking facility pursuant to a partial assignment of the parking/storage area lease or leases (the "Parking/Storage Area Lease(s)") between Port Capital Development (Mid2) Inc. or assignee as landlord and _____ as tenant, a copy of which is attached hereto. Pursuant to the Parking/Storage Area Lease, following the registration of the strata plan for the strata development the Strata Corporation will automatically assume all of the covenants and obligations of Port Capital Development (Mid2) Inc. or assignee under the Parking/Storage Area Lease(s) with respect to the Stalls, Bicycle Spaces and Lockers (as such terms are defined in the Parking/Storage Area Lease(s)). A resident who has the use of a parking stall designated as an electric vehicle parking stall with a charge receptacle (the "Electric Vehicle Parking Stall") will be responsible for all utility costs associated with that Electric Vehicle Parking Stall.

Leasing of Residential Strata Lot

- 6.5** (1) An owner of a strata lot within the Residential Section may lease it in accordance with the Act provided the owner delivers the following documents to the executive of such section prior to the commencement of the term of the lease:
- (a) a Notice of Tenant's Responsibilities (Form K); and
 - (b) a copy of the current bylaws and rules of the strata corporation;
 - (c) such further information and documentation relating to the tenancy as the executive may reasonably require provided that such requirements are in accordance with the Act.
- (2) The occupancy of a strata lot within the Residential Section by any person other than the owner and/or the owner's immediate family (or a live-in caregiver) for a period in excess of one month shall be considered a lease and be subject to the provisions of this bylaw.
- (3) An owner who leases the owner's strata lot within the Residential Section in contravention of this bylaw is subject to a fine of two hundred fifty dollars (\$250) every seven (7) days, or such other amount as is set by the council from time to time, for each seven (7) day period during which the tenant occupies the strata lot in contravention of this bylaw. This amount shall become part of the assessment

payable by such owner and shall become due and payable on the first day of the month following the month in which the executive of such section notifies the owner of the breach.

Commercial Strata Lots

- 6.6** (1) Residents of commercial strata lots will be permitted to install signs or notices within same so as to be visible from the exterior thereof, and on the exterior thereof, provided that:
- (a) the size and design of such signs or notices:
 - (i) have received the approval of the executive of the Commercial Section, acting reasonably;
 - (ii) have received any approvals required from applicable governmental authorities; and
 - (iii) are in keeping with the overall design of the development in terms of quality, design and colour.
 - (b) signs and notices will be installed and maintained at the sole expense and risk of the owner of the commercial strata lot in which, or on the exterior of which, the same are installed;
 - (c) the owner of a commercial strata lot must not display excessive amounts of window signage;
 - (d) any signage must be in excellent condition and must not consist of faded, worn, or torn displays;
 - (e) all equipment that backs to a window (i.e. a fridge, bank machine, photocopier, etc.) must be covered with a blind or window covering;
 - (f) the strata corporation reserves the right to remove any signage it deems inappropriate; and
 - (g) the owner of a commercial strata lot in which, or on the exterior of which, the signs or notices are installed will from time to time on the request of the Strata Corporation or Commercial Section provide it with evidence that such owner has taken out and thereafter maintained insurance for property damage and injury to persons resulting from such signage as a reasonable owner displaying similar signage would obtain.
- (2) Residents of commercial strata lots will be permitted to install awnings around the outside perimeters of same, and for such purposes attach awnings to the common property on the condition that the plans for such awnings provided that:

- (a) the size and design of such awnings:
 - (i) have received the approval of the executive of the Commercial Section, acting reasonably;
 - (ii) have received any approvals required from applicable governmental authorities; and
 - (iii) are in keeping with the overall design of the development in terms of quality, design and colour.
 - (b) awnings will be installed and maintained at the sole expense and risk of the owner of the commercial strata lot on the exterior of which the same are installed; and
 - (c) the owner of a commercial strata lot on the exterior of which awnings are installed will from time to time on the request of the Strata Corporation or Commercial Section provide it with evidence that such owner has taken out and thereafter maintained insurance for property damage and injury to persons resulting from such awnings as a reasonable owner displaying similar signage would obtain.
- (3) Provided that prior written notice of any material alteration is provided to the strata corporation, the owners of the strata lots in the Commercial Section shall be entitled to carry out alterations to the interior of the commercial strata lots, including, but not limited to, those alterations for wiring, plumbing, piping, exhaust systems and grease traps in order for the strata lot to be used for the commercial strata lot owner's business use, provided that any alterations to the structure of the building must be approved by the strata corporation. If the commercial strata lot owners require access over the common property of the Development or the limited common property designated for the commercial strata lot owners, such access must first be approved in writing by at least 3/4 of the strata lot owners in the Commercial Section. In carrying out such alterations the commercial strata lot owners shall take all necessary steps to cause as little disruption as possible to the other strata lot owners.
- (4) Residents of commercial strata lots will be permitted to rent or lease the parking space(s) which such resident is permitted to use to a resident of the residential strata lots.
- (5) This bylaw 6.7 shall not be amended, repealed or rescinded without the approval of the Commercial Section having been first had and obtained.

Restrictions Affecting Commercial Section

- 6.7 (1) Without the approval of the Commercial Section having been first had and obtained, the strata corporation will not act in any manner, and in particular but without limitation will not amend, repeal, rescind, or pass any bylaw or rule if the

result of such action would be to prohibit, prevent or impair the use of the non-residential strata lots or any of them in accordance with the zoning bylaw of the City of Vancouver in effect from time to time, provided that the activity carried on in a commercial strata lot is not a breach of the Bylaws of the strata corporation as originally stated. Without limitation, the strata corporation will not pass any bylaw or rule which would have the effect of:

- (a) restricting the hours of operation of any business carried on within a commercial strata lot; or
 - (b) prohibiting, preventing or impairing the ability of a resident of a commercial strata lot from leasing, subleasing, granting a licence, or entering into any lease, sublease, or license arrangement with respect to the use of a commercial strata lot.
- (2) This bylaw 6.8 shall not be amended, repealed or rescinded without the approval of the Commercial Section having been first had and obtained.

Storage

- 6.8** (1) A resident must store bicycles and tricycles only in the designated parking/bicycle storage area. Bicycles and tricycles are not permitted in elevators or hallways. All bicycles and tricycles must enter or exit the building by way of the vehicle entry to the parking garage only.
- (2) A resident must not store any hazardous, flammable or perishable substances in storage areas.

Moving Procedures

- 6.9** (1) A resident must conform to the Moving Rules established by the council from time to time.
- (2) A resident must provide notice to the strata corporation of all moving arrangements at least seventy-two (72) hours in advance of the moving date. All moves must take place between 9:00 am and 6:00 pm Monday through Friday and 10:00 am to 5:00 pm on Saturdays, Sundays and statutory holidays.
- (3) A resident must ensure that the lobby doors are not left open, ajar or unattended and that furniture is not left piled in the lobby area.
- (4) A resident must ensure that all common areas are left damage free, clean and all hallways and lobby areas vacuumed immediately upon completion of the move.
- (5) An owner must pay a refundable damage deposit of five hundred dollars (\$500) seventy-two (72) hours prior to any move and any expenses incurred by the strata corporation attributable to the owner or a tenant and all fines levied will be deducted from the deposit.

Visitors and Children

- 6.10** (1) A resident is responsible for the conduct of visitors including ensuring that noise is kept at a reasonable level, as determined by the majority of the council.
- (2) A resident is responsible for the conduct of children residing in their strata lot, including ensuring that noise is kept at a reasonable level, as determined by the majority of the council.
- (3) A resident is responsible to assume liability for and to properly supervise the activities of children including, but not limited to, bicycling, skateboarding and hockey.

Miscellaneous

- 6.11** (1) No resident or visitor will smoke on common property including the outdoor common terrace on level 1 (and amenity garden on level 2) provided that residents may smoke on the balconies, patios or terraces which are limited common property for their strata lot.
- (2) No resident or visitor may wear or use inline skates or skateboards anywhere in the building, including a strata lot.
- (3) Residents must ensure that all entrance doors to strata lots are kept closed and kitchen extraction fans are used when cooking on the cooktop.
- (4) A resident will not install or display Christmas lights on any part of the exterior of the building except during the period of time from November 15th to January 15th.
- (5) A resident must not bring into the building a live or cut Christmas tree.
- (6) For so long as the owner developer owns or leases any strata lots, the owner developer may carry out marketing, promotional and sales activities within the common property (including parking stalls, lobby, common courtyard, hallways and parkade) or strata lots owner or leased by the owner developer, including, without limitation, maintaining display suites, other display areas, parking areas and signage (including signage on the exterior of the building) and permitting public access to same for the purpose of marketing unsold strata lots. In addition the owner developer may conduct tours of the building from time to time with prospective purchasers and hold events and other activities within the building in connection with the marketing and sales activities.

Date: _____

PORT CAPITAL DEVELOPMENT (MID2) INC.

Per: _____

Schedule A
Parking/Storage Area Lease

[See Parking Lease attached as Exhibit I]

EXHIBIT C

Strata Property Act

FORM V

SCHEDULE OF UNIT ENTITLEMENT

(Sections 245(a), 246, 264)

Re: **PRELIMINARY STRATA PLAN OF LOT A, Bk 156, DL 264A, G1, NWD,
PLAN EPP56692.**

029-823-536

**STRATA PLAN CONSISTING ENTIRELY OF BOTH RESIDENTIAL AND
NONRESIDENTIAL STRATA LOTS**

The unit entitlement for each **residential** strata lot is one of the following [check appropriate box], as set out in the following table:

- (a) the habitable area of the lot, in square metres, rounded to the nearest whole number as determined by a British Columbia land surveyor as set out in section 246(3)(a)(i) of the *Strata Property Act*.

Certificate of British Columbia Land Surveyor

I, _____, a British Columbia land surveyor,
certify that the following table reflects the habitable area of
each residential strata lot.

Date: *May 9, 2016*

PRELIMINARY

Signature

OR

- (b) a whole number that is the same for all of the residential strata lots as set out in section 246(3)(a)(ii) of the *Strata Property Act*.

OR

- (c) a number that is approved by the Superintendent of Real Estate in accordance with section 246(3)(a)(iii) of the *Strata Property Act*.

Signature of Superintendent of Real Estate

| Strata Lot No. | Sheet No. | Habitable Area in m ² | Unit Entitlement | %* of Total Unit Entitlement of Residential Strata Lots** | %* of Total Unit Entitlement of All Strata Lots** |
|----------------|-----------|-------------------------------------|------------------|--|---|
| 1 | 6 | 84.6 | 85 | 2.86% | 2.16% |
| 2 | 6 | 55.3 | 55 | 1.85% | 1.39% |
| 3 | 6 | 55.8 | 56 | 1.88% | 1.42% |
| 4 | 6 | 54.7 | 55 | 1.85% | 1.39% |
| 5 | 6 | 53.9 | 54 | 1.82% | 1.37% |
| 6 | 6 | 55.8 | 56 | 1.88% | 1.42% |
| 7 | 6 | 55.8 | 56 | 1.88% | 1.42% |
| 8 | 6 | 55.8 | 56 | 1.88% | 1.42% |
| 9 | 6 | 58.9 | 59 | 1.99% | 1.50% |
| 10 | 6 | 52.0 | 52 | 1.75% | 1.32% |
| 11 | 6 | 50.5 | 51 | 1.72% | 1.29% |
| 12 | 6 | 50.5 | 51 | 1.72% | 1.29% |
| 13 | 6 | 50.5 | 51 | 1.72% | 1.29% |
| 14 | 6 | 50.5 | 51 | 1.72% | 1.29% |
| 15 | 6 | 50.5 | 51 | 1.72% | 1.29% |
| 16 | 6 | 50.5 | 51 | 1.72% | 1.29% |
| 17 | 6 | 50.5 | 51 | 1.72% | 1.29% |
| 18 | 6 | 50.5 | 51 | 1.72% | 1.29% |
| 19 | 6 | 52.0 | 52 | 1.75% | 1.32% |
| 20 | 7 | 84.6 | 85 | 2.86% | 2.16% |
| 21 | 7 | 55.3 | 55 | 1.85% | 1.39% |
| 22 | 7 | 55.8 | 56 | 1.88% | 1.42% |
| 23 | 7 | 55.8 | 56 | 1.88% | 1.42% |
| 24 | 7 | 53.9 | 54 | 1.82% | 1.37% |
| 25 | 7 | 55.8 | 56 | 1.88% | 1.42% |
| 26 | 7 | 55.8 | 56 | 1.88% | 1.42% |
| 27 | 7 | 55.8 | 56 | 1.88% | 1.42% |
| 28 | 7 | 58.9 | 59 | 1.99% | 1.50% |
| 29 | 7 | 52.0 | 52 | 1.75% | 1.32% |

| | | | | | |
|--|---|------|--|-------|-------|
| 30 | 7 | 50.5 | 51 | 1.72% | 1.29% |
| 31 | 7 | 50.5 | 51 | 1.72% | 1.29% |
| 32 | 7 | 50.5 | 51 | 1.72% | 1.29% |
| 33 | 7 | 50.5 | 51 | 1.72% | 1.29% |
| 34 | 7 | 50.5 | 51 | 1.72% | 1.29% |
| 35 | 7 | 50.5 | 51 | 1.72% | 1.29% |
| 36 | 7 | 50.5 | 51 | 1.72% | 1.29% |
| 37 | 7 | 50.5 | 51 | 1.72% | 1.29% |
| 38 | 7 | 52.0 | 52 | 1.75% | 1.32% |
| 39 | 8 | 68.7 | 69 | 2.32% | 1.75% |
| 40 | 8 | 75.9 | 76 | 2.56% | 1.93% |
| 41 | 8 | 79.5 | 80 | 2.69% | 2.03% |
| 42 | 8 | 78.1 | 78 | 2.62% | 1.98% |
| 43 | 8 | 79.6 | 80 | 2.69% | 2.03% |
| 44 | 8 | 72.4 | 72 | 2.42% | 1.83% |
| 45 | 8 | 72.1 | 72 | 2.42% | 1.83% |
| 46 | 8 | 70.9 | 71 | 2.39% | 1.80% |
| 47 | 8 | 70.9 | 71 | 2.39% | 1.80% |
| 48 | 8 | 70.9 | 71 | 2.39% | 1.80% |
| 49 | 8 | 70.9 | 71 | 2.39% | 1.80% |
| 50 | 8 | 72.1 | 72 | 2.42% | 1.83% |
| Total number of residential strata lots: 50 | | | Total unit entitlement of residential strata lots: 2972 | | |

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

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

The unit entitlement for each **nonresidential** strata lot is one of the following [check appropriate box], as set out in the following table:

- (a) the total area of the strata lot, in square metres, rounded to the nearest whole number as determined by a British Columbia land surveyor as set out in section 246(3)(b)(i) of the *Strata Property Act*.

Certificate of British Columbia Land Surveyor

I, _____, a British Columbia land surveyor, certify that the following table reflects the total area of each nonresidential strata lot.

Date: May 9, 2016.

PRELIMINARY

Signature

OR

- (b) a whole number that is the same for all of the residential strata lots as set out in section 246(3)(b)(ii) of the *Strata Property Act*.

OR

- (c) a number that is approved by the Superintendent of Real Estate in accordance with section 246(3)(b)(iii) of the *Strata Property Act*.

| Strata Lot No. | Sheet No. | Total Area in m ² | Unit Entitlement | %* of Total Unit Entitlement of Nonresidential Strata Lots** | %* of Total Unit Entitlement of All Strata Lots** |
|--|-----------|---|------------------|--|---|
| 51 | 4 | 274.9 | 275 | 28.32% | 6.97% |
| 52 | 4,5 | 695.9 | 696 | 71.68% | 17.65% |
| Total number of non-residential strata lots: | | Total unit entitlement of nonresidential strata lots: | | | |
| 2 | | 971 | | | |

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

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

Schedule of Unit Entitlement approved by the Superintendent of Real Estate in accordance with section 246(5) of the *Strata Property Act*.

Signature of Superintendent of Real Estate

Date: *[month, day, year]*.

PRELIMINARY

Signature of Owner Developer

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

Am. (B.C. Reg. 203/2003).

EXHIBIT D

Strata Property Act

FORM W

SCHEDULE OF VOTING RIGHTS

(sections 245(b), 247, 248, 264)

Re: **PRELIMINARY STRATA PLAN OF LOT A, Bk 156, DL 264A, G1, NWD, PLAN EPP56692.**

029-823-536

The strata plan is composed of *[number]* nonresidential strata lots, and *[number]* residential strata lots.

The number of votes per strata lot is one of the following *[check appropriate box]*, as set out in the following table.

- (a) the number of votes per residential strata lot, if any, is 1, and the number of votes per nonresidential strata lot is calculated in accordance with section 247(2)(a)(ii) of the *Strata Property Act*.

OR

- (b) the strata plan is composed entirely of nonresidential strata lots, and the number of votes per strata lot is calculated in accordance with section 247(2)(b) of the *Strata Property Act*.

OR

- (c) the number of votes per strata lot is approved by the Superintendent of Real Estate in accordance with section 248 of the *Strata Property Act*.

Signature of Superintendent of Real Estate

| Strata Lot No. | Type of Strata Lot (Residential or Nonresidential) | Sheet No. | Number of Votes |
|----------------|---|-----------|-----------------|
| 1 | RESIDENTIAL | 6 | 1 |
| 2 | RESIDENTIAL | 6 | 1 |
| 3 | RESIDENTIAL | 6 | 1 |
| 4 | RESIDENTIAL | 6 | 1 |
| 5 | RESIDENTIAL | 6 | 1 |
| 6 | RESIDENTIAL | 6 | 1 |
| 7 | RESIDENTIAL | 6 | 1 |

| | | | |
|----|-------------|---|---|
| 8 | RESIDENTIAL | 6 | 1 |
| 9 | RESIDENTIAL | 6 | 1 |
| 10 | RESIDENTIAL | 6 | 1 |
| 11 | RESIDENTIAL | 6 | 1 |
| 12 | RESIDENTIAL | 6 | 1 |
| 13 | RESIDENTIAL | 6 | 1 |
| 14 | RESIDENTIAL | 6 | 1 |
| 15 | RESIDENTIAL | 6 | 1 |
| 16 | RESIDENTIAL | 6 | 1 |
| 17 | RESIDENTIAL | 6 | 1 |
| 18 | RESIDENTIAL | 6 | 1 |
| 19 | RESIDENTIAL | 6 | 1 |
| 20 | RESIDENTIAL | 7 | 1 |
| 21 | RESIDENTIAL | 7 | 1 |
| 22 | RESIDENTIAL | 7 | 1 |
| 23 | RESIDENTIAL | 7 | 1 |
| 24 | RESIDENTIAL | 7 | 1 |
| 25 | RESIDENTIAL | 7 | 1 |
| 26 | RESIDENTIAL | 7 | 1 |
| 27 | RESIDENTIAL | 7 | 1 |
| 28 | RESIDENTIAL | 7 | 1 |
| 29 | RESIDENTIAL | 7 | 1 |
| 30 | RESIDENTIAL | 7 | 1 |
| 31 | RESIDENTIAL | 7 | 1 |
| 32 | RESIDENTIAL | 7 | 1 |
| 33 | RESIDENTIAL | 7 | 1 |
| 34 | RESIDENTIAL | 7 | 1 |
| 35 | RESIDENTIAL | 7 | 1 |
| 36 | RESIDENTIAL | 7 | 1 |
| 37 | RESIDENTIAL | 7 | 1 |
| 38 | RESIDENTIAL | 7 | 1 |
| 39 | RESIDENTIAL | 8 | 1 |
| 40 | RESIDENTIAL | 8 | 1 |

| | | | |
|--|-----------------|---|-------|
| 41 | RESIDENTIAL | 8 | 1 |
| 42 | RESIDENTIAL | 8 | 1 |
| 43 | RESIDENTIAL | 8 | 1 |
| 44 | RESIDENTIAL | 8 | 1 |
| 45 | RESIDENTIAL | 8 | 1 |
| 46 | RESIDENTIAL | 8 | 1 |
| 47 | RESIDENTIAL | 8 | 1 |
| 48 | RESIDENTIAL | 8 | 1 |
| 49 | RESIDENTIAL | 8 | 1 |
| 50 | RESIDENTIAL | 8 | 1 |
| 51 | NON-RESIDENTIAL | 4 | 4.63 |
| 52 | NON-RESIDENTIAL | 4,5 | 11.71 |
| Total number of strata lots: 52 | | Total number of votes: 66.34 | |

Date: *[month, day, year]*.

PRELIMINARY

Signature of Owner Developer

EXHIBIT E

Midtown Modern - Interim Budget

| ITEM CODE | Residential BUDGET | Commercial BUDGET | Strata (Joint) BUDGET | Consolidated BUDGET |
|---|-------------------------------|------------------------------|----------------------------------|--------------------------------|
| <u>INCOME</u> | | | | |
| 81450 Strata Fees | 49,099 | 5,436 | 115,120 | 169,655 |
| 47360 Access Card | 0 | 0 | 0 | 0 |
| Total Income | 49,099 | 5,436 | 115,120 | 169,655 |
| <u>EXPENSES</u> | | | | |
| <u>ADMINISTRATION</u> | | | | |
| 81010 Administration/Bank Charges | 240 | 240 | 240 | 720 |
| 81100 Insurance | 0 | 0 | 41,683 | 41,683 |
| 81200 Management Fees | 8,190 | 1,260 | 8,190 | 17,640 |
| 81400 Photocopy/Postage/Courier | 500 | 10 | 1,000 | 1,510 |
| Total Administration | 8,930 | 1,510 | 51,113 | 61,553 |
| <u>BUILDING</u> | | | | |
| 82170 Elevator Maintenance | 7,500 | 3,300 | 0 | 10,800 |
| 82210 Enterphone | 7,245 | 0 | 0 | 7,245 |
| 82320 Fire Inspection, Equip & Monitoring | 0 | 0 | 2,685 | 2,685 |
| 82500 Janitorial | 16,000 | 0 | 0 | 16,000 |
| Garage Door | 1,500 | 0 | 0 | 1,500 |
| 82720 General Repairs & Maintenance | 0 | 0 | 8,000 | 8,000 |
| 82750 Security | 0 | 0 | 3,000 | 3,000 |
| 82760 Supplies | 0 | 0 | 1,000 | 1,000 |
| 82950 Window Washing (X1) | 1,386 | 368 | 0 | 1,754 |
| Total Building | 33,631 | 3,668 | 14,685 | 51,983 |
| <u>UTILITIES</u> | | | | |
| 87310 Electricity | 0 | 0 | 14,750 | 14,750 |
| 83150 Waste Removal/Recycling | 4,200 | 0 | 0 | 4,200 |
| 83200 Gas | 0 | 0 | 10,000 | 10,000 |
| 83300 Water/Sewage | 0 | 0 | 12,000 | 12,000 |
| Total Utilities | 4,200 | 0 | 36,750 | 40,950 |
| <u>LANDSCAPING</u> | | | | |
| 84050 Irrigation | 0 | 0 | 400 | 400 |
| 84070 Landscaping | 0 | 0 | 5,940 | 5,940 |
| 8420 Snow Removal | 0 | 0 | 750 | 750 |
| Total Landscaping | 0 | 0 | 7,090 | 7,090 |
| SubTotal Expenses | 46,761 | 5,178 | 109,638 | 161,576 |
| Transfer to Reserves | 2,338 | 259 | 5,482 | 8,079 |
| Total Expenses | 49,099 | 5,436 | 115,120 | 169,655 |
| Year end Surplus/Deficit | 0 | 0 | 0 | 0 |

EXHIBIT F

Midtown Modern Interim Budget - Schedule of Strata Fees

For Information Only

| S.L. | Section | Hab. Area | | Residential Operating Fund | Residential CRF Contribution | Commercial Operating Fund | Commercial CRF Contribution | Strata (Joint) Operating Fund | Strata (Joint) CRF Contribution | Monthly Strata Fees |
|-----------|-------------|----------------|-----|----------------------------------|------------------------------------|---------------------------------|-----------------------------------|-------------------------------------|---------------------------------------|------------------------|
| | | M ² | U/E | | | | | | | |
| 51 | Commercial | 274.9 | 275 | 0.00 | 0.00 | 122.19 | 6.11 | 637.21 | 31.86 | 797.38 |
| 52 | Commercial | 695.9 | 696 | 0.00 | 0.00 | 309.26 | 15.46 | 1612.73 | 80.64 | 2018.09 |
| 1 | Residential | 84.6 | 85 | 111.45 | 5.57 | 0.00 | 0.00 | 196.96 | 9.85 | 323.83 |
| 2 | Residential | 55.3 | 55 | 72.11 | 3.61 | 0.00 | 0.00 | 127.44 | 6.37 | 209.53 |
| 3 | Residential | 55.8 | 56 | 73.42 | 3.67 | 0.00 | 0.00 | 129.76 | 6.49 | 213.34 |
| 4 | Residential | 54.7 | 55 | 72.11 | 3.61 | 0.00 | 0.00 | 127.44 | 6.37 | 209.53 |
| 5 | Residential | 53.9 | 54 | 70.80 | 3.54 | 0.00 | 0.00 | 125.13 | 6.26 | 205.72 |
| 6 | Residential | 55.8 | 56 | 73.42 | 3.67 | 0.00 | 0.00 | 129.76 | 6.49 | 213.34 |
| 7 | Residential | 55.8 | 56 | 73.42 | 3.67 | 0.00 | 0.00 | 129.76 | 6.49 | 213.34 |
| 8 | Residential | 55.8 | 56 | 73.42 | 3.67 | 0.00 | 0.00 | 129.76 | 6.49 | 213.34 |
| 9 | Residential | 58.9 | 59 | 77.36 | 3.87 | 0.00 | 0.00 | 136.71 | 6.84 | 224.77 |
| 10 | Residential | 52 | 52 | 68.18 | 3.41 | 0.00 | 0.00 | 120.49 | 6.02 | 198.10 |
| 11 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 12 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 13 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 14 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 15 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 16 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 17 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 18 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 19 | Residential | 52 | 52 | 68.18 | 3.41 | 0.00 | 0.00 | 120.49 | 6.02 | 198.10 |
| 20 | Residential | 84.6 | 85 | 111.45 | 5.57 | 0.00 | 0.00 | 196.96 | 9.85 | 323.83 |
| 21 | Residential | 55.3 | 55 | 72.11 | 3.61 | 0.00 | 0.00 | 127.44 | 6.37 | 209.53 |
| 22 | Residential | 55.8 | 56 | 73.42 | 3.67 | 0.00 | 0.00 | 129.76 | 6.49 | 213.34 |
| 23 | Residential | 55.8 | 56 | 73.42 | 3.67 | 0.00 | 0.00 | 129.76 | 6.49 | 213.34 |
| 24 | Residential | 53.9 | 54 | 70.80 | 3.54 | 0.00 | 0.00 | 125.13 | 6.26 | 205.72 |
| 25 | Residential | 55.8 | 56 | 73.42 | 3.67 | 0.00 | 0.00 | 129.76 | 6.49 | 213.34 |
| 26 | Residential | 55.8 | 56 | 73.42 | 3.67 | 0.00 | 0.00 | 129.76 | 6.49 | 213.34 |
| 27 | Residential | 55.8 | 56 | 73.42 | 3.67 | 0.00 | 0.00 | 129.76 | 6.49 | 213.34 |
| 28 | Residential | 58.9 | 59 | 77.36 | 3.87 | 0.00 | 0.00 | 136.71 | 6.84 | 224.77 |
| 29 | Residential | 52 | 52 | 68.18 | 3.41 | 0.00 | 0.00 | 120.49 | 6.02 | 198.10 |
| 30 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 31 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 32 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 33 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 34 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |

**Midtown Modern
Interim Budget - Schedule of Strata Fees**

For Information Only

| S.L. | Section | Hab. Area | | Residential Operating Fund | Residential CRF Contribution | Commercial Operating Fund | Commercial CRF Contribution | Strata (Joint) Operating Fund | Strata (Joint) CRF Contribution | Monthly Strata Fees |
|--------------------------|-------------|----------------|-------------|----------------------------------|------------------------------------|---------------------------------|-----------------------------------|-------------------------------------|---------------------------------------|------------------------|
| | | M ² | U/E | | | | | | | |
| 35 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 36 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 37 | Residential | 50.5 | 51 | 66.87 | 3.34 | 0.00 | 0.00 | 118.17 | 5.91 | 194.30 |
| 38 | Residential | 52 | 52 | 68.18 | 3.41 | 0.00 | 0.00 | 120.49 | 6.02 | 198.10 |
| 39 | Residential | 68.7 | 69 | 90.47 | 4.52 | 0.00 | 0.00 | 159.88 | 7.99 | 262.87 |
| 40 | Residential | 75.9 | 76 | 99.65 | 4.98 | 0.00 | 0.00 | 176.10 | 8.81 | 289.54 |
| 41 | Residential | 79.5 | 80 | 104.89 | 5.24 | 0.00 | 0.00 | 185.37 | 9.27 | 304.78 |
| 42 | Residential | 78.1 | 78 | 102.27 | 5.11 | 0.00 | 0.00 | 180.74 | 9.04 | 297.16 |
| 43 | Residential | 79.6 | 80 | 104.89 | 5.24 | 0.00 | 0.00 | 185.37 | 9.27 | 304.78 |
| 44 | Residential | 72.4 | 72 | 94.40 | 4.72 | 0.00 | 0.00 | 166.83 | 8.34 | 274.30 |
| 45 | Residential | 72.1 | 72 | 94.40 | 4.72 | 0.00 | 0.00 | 166.83 | 8.34 | 274.30 |
| 46 | Residential | 70.9 | 71 | 93.09 | 4.65 | 0.00 | 0.00 | 164.52 | 8.23 | 270.49 |
| 47 | Residential | 70.9 | 71 | 93.09 | 4.65 | 0.00 | 0.00 | 164.52 | 8.23 | 270.49 |
| 48 | Residential | 70.9 | 71 | 93.09 | 4.65 | 0.00 | 0.00 | 164.52 | 8.23 | 270.49 |
| 49 | Residential | 70.9 | 71 | 93.09 | 4.65 | 0.00 | 0.00 | 164.52 | 8.23 | 270.49 |
| 50 | Residential | 72.1 | 72 | 94.40 | 4.72 | 0.00 | 0.00 | 166.83 | 8.34 | 274.30 |
| Total Strata Lots | | 3931.1 | 3943 | \$3,896.75 | \$194.84 | \$431.46 | \$21.57 | \$9,136.49 | \$456.82 | \$14,137.93 |
| Total Residential | | 2960.3 | 2972 | | | | | Total Monthly Fees | | \$14,137.93 |
| Total Commercial | | 970.8 | 971 | | | | | Annual Total | | \$169,655.17 |

EXHIBIT G

Strata Property Act

FORM J

RENTAL DISCLOSURE STATEMENT

(Section 139)

Re: Strata Plan to be filed in respect of:

Parcel Identifier: 029-823-536

Lot A Block 156 District Lot 264A Group 1 New Westminster District Plan EPP56692

This Rental Disclosure Statement is the first Rental Disclosure Statement filed in relation to the above-noted strata plan.

1. The development described above includes 50 residential strata lots.
2. The residential strata lots described below are rented out by the owner developer as of the date of this statement and the owner developer intends to rent out each strata lot until the date set out opposite its description.

| Description of Strata Lot | Date Rental Period Expires |
|----------------------------------|-----------------------------------|
| None | Not Applicable |

* Section 143(2) of the *Strata Property Act* provides that, if this Rental Disclosure Statement is filed after December 31, 2009, a bylaw that prohibits or limits rentals will not apply to a strata lot described in this table until the date set out in the table opposite the description of the strata lot, whether or not the strata lot is conveyed before that date.

3. In addition to the number of residential strata lots rented out by the owner developer as of the date of this statement, the owner developer reserves the right to rent out any and all of the proposed 43 residential strata lots, as described below, until the date set out opposite each strata lot's description.

| Description of Strata Lot | Date Rental Period Expires |
|----------------------------------|-----------------------------------|
| Strata Lots 1 - 50 | December 31, 2216 |

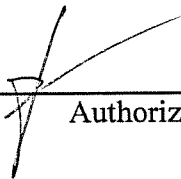
* Section 143(2) of the *Strata Property Act* provides that, if this Rental Disclosure Statement is filed after December 31, 2009, a bylaw that prohibits or limits rentals will not apply to a strata lot described in this table until the date set out in the table opposite the description of the strata lot, whether or not the strata lot is conveyed before that date.

4. There is no bylaw of the strata corporation that restricts the rental of strata lots.

Dated as of the 10th day of May, 2016.

**LIVING MIDTOWN 2 DEVELOPMENT
LIMITED PARTNERSHIP**, by its general
partner, **PORT CAPITAL DEVELOPMENT
(MID2) INC.**

Per:



Authorized Signatory



EXHIBIT H

CONTRACT OF PURCHASE AND SALE

"Vendor" **Living Midtown 2 Development Limited Partnership**
328 West 2nd Avenue
Vancouver, B.C. V5Y 1C8

"Vendor's Solicitors" Fasken Martineau DuMoulin LLP
2900 – 550 Burrard Street
Vancouver, B.C. V6C 0A3

"Purchaser" (1) Name: _____ Tel 1: _____
Address: _____ Tel 2: _____
Email: _____

(2) Name: _____ Tel 1: _____
Address: _____ Tel 2: _____
Email: _____

The Purchaser is a Resident of Canada: Yes / No If No, Country of Residency: _____

Proposed Strata Lot _____ (Unit No. _____) (the "**Strata Lot**") in the development known as "Midtown Modern" (the "**Development**") to be constructed at 630 East Broadway, Vancouver, BC on lands currently legally described as Parcel Identifier: 029-823-536 Lot A Block 156 District Lot 264A Group 1 New Westminster District Plan EPP56692.

"Purchase Price" \$ _____ plus any amount payable for parking stall(s), storage locker(s) and/or bicycle rack space(s) pursuant to Sections 4 and 5. The Purchaser acknowledges and agrees that the Purchase Price is exclusive of all applicable taxes, GST, PST and Property Transfer Tax or any other provincial or federal sales, service, harmonized, value added or other tax and exclusive of any applicable new housing rebates.

- Offer.** The Purchaser hereby offers to purchase from the Vendor the Strata 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 he or she is purchasing a strata lot which is to be constructed or is presently under construction.
- Deposit.** The Purchaser will pay the following deposits (collectively, the "**Deposit**") in lawful money of Canada either by personal cheque, wire, bank draft or certified cheque to "Fasken Martineau DuMoulin LLP In Trust" (Fasken Martineau DuMoulin LLP, the "**Vendor's Solicitors**") in trust as stakeholder and the Deposit will be held in accordance with the *Real Estate Development Marketing Act* (British Columbia) and the *Real Estate Services Act* (British Columbia) as follows:

| | | |
|-----|--|-----------|
| (a) | an initial deposit in the amount of \$5000 (the " Initial Deposit "), payable upon presentation of this Agreement to the Vendor. If the Purchaser delivers written notice to the Vendor cancelling this Agreement by 11:59 pm on the 7 th day following the date of acceptance of this offer by both parties then this Initial Deposit will be returned to the Purchaser and this Agreement shall thereafter be null and void; | \$5000.00 |
| (a) | an additional amount, which together with the Initial Deposit will be equal to (10%) percent of the Purchase Price (the " Second Deposit "), within five (5) days of the later of: (i) the expiry of the 7-day rescission period pursuant to the <i>Real Estate Development Marketing Act</i> and (ii) the date on which any conditions precedent are satisfied or waived; | \$ _____ |
| (b) | a further deposit equal to five (5%) percent of the Purchase Price (the " Third Deposit "), payable upon the later of: (i) seven (7) days from the date upon which the Amendment to the Disclosure Statement (as hereinafter defined) is delivered to the Purchaser, and (ii) one hundred twenty (120) days from the execution of this Contract by both the Purchaser and the Vendor; and | \$ _____ |
| (c) | a further deposit equal to five (5%) percent of the Purchase Price (the " Fourth Deposit "), payable upon the day that is one hundred twenty days (120) from the date the Third Deposit was due and payable; | \$ _____ |

- Included Fixtures.** The Purchase Price includes the following items unless otherwise noted in the Disclosure Statement:

[a] one dishwasher, [b] one electric cooktop, [c] one electric wall oven, [d] one refrigerator, [e] one microwave, [f] one hood fan, [g] one clothes washer and one dryer, and [h] window coverings.

The following Strata Lots will include a gas cooktop rather than an electric cooktop: Strata Lots 39 to 50.



Fixtures and features as represented in the Disclosure Statement shall also be included, provided that the Vendor may substitute materials of reasonably equivalent or better quality. Presentation Centre / Display Suite decorator features, fixtures, wall treatments, finishings, fittings, dining light fixtures and furnishings are not included in the Purchase Price.

4. **Parking.** The Vendor agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Vendor, the exclusive use of _____ parking stall(s) in the Development for a price of \$ _____ (plus GST) in a location designated by the Vendor and such additional amount will be added to the Statement of Adjustments and will be payable to the Purchaser on the Completion Date. The Purchaser acknowledges and accepts that the parking stall assigned to the Purchaser is subject to the restrictions and limitations set out in the Disclosure Statement (as defined herein).

5. **Storage Lockers/Bicycle Spaces.** The Vendor agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Vendor, the exclusive use of _____ storage locker(s) and _____ bicycle rack space(s) in the Development for a price of \$ _____ (plus GST) for the storage locker(s) and \$ _____ (plus GST) for the bicycle rack space(s) in a location designated by the Vendor and such additional amount will be added to the Statement of Adjustments and will be payable to the Purchaser on the Completion Date. The Purchaser acknowledges and accepts that the storage locker and/or the bicycle rack space assigned to the Purchaser is subject to the restrictions and limitations set out in the Disclosure Statement (as defined herein). Strata Lots 39 to 43 and Strata Lots 45 to 50 have in-suite storage.

6. **Colour Scheme.** The Purchaser selects ONE of the following colour schemes for the interior of the Strata Lot:

(initial one only)

| | |
|--|--|
| | |
|--|--|

Oak

| | |
|--|--|
| | |
|--|--|

White

7. **Completion, Possession and Adjustment Dates.** See Addendum "A" attached hereto.

8. **Schedules and Addenda.** The provisions of any schedule(s), addenda, including Addendum "A" attached to this Agreement are incorporated into and form a part of this Agreement. To the extent that there is any inconsistency between any provision of this Agreement and any provision of a schedule or addendum attached hereto, the provisions of the schedule or addendum, as applicable, will govern.

9. **Agency.** Please refer to the separate Agency Disclosure Acknowledgment and Agreement. The Vendor and the Purchaser acknowledge receiving and understanding the brochure published by the British Columbia Real Estate Association entitled "Working With a Real Estate Agent". The Purchaser understands and acknowledges that the Purchaser has no agency relationship with the representatives of the Vendor working in the sales office for the Development who may or may not be licensed under the *Real Estate Services Act* (British Columbia) and that such representatives do not represent the Purchaser as agent or in any capacity. The Purchaser may wish to obtain independent advice in respect of this Agreement and the transactions contemplated herein.

10. **Execution.** This offer and the contract that will result from its acceptance ("**Agreement**" or "**Contract**") and any addendum or amendment thereto may be executed in counterparts, each of which shall be deemed to be an original and all of which together shall be considered one and the same Contract and, for greater certainty, a signed fax, photocopy or electronic copy (including Portable Document Format) shall be effectual and valid proof of execution.

11. **Acceptance.** This offer will be open for acceptance on presentation up to three (3) days from the date of this offer. Upon acceptance of this offer by both parties evidenced by the Purchaser and the Vendor signing a copy of this offer, there will be a binding agreement of sale and purchase in respect of the Strata Lot for the Purchase Price, on the terms and subject to the conditions set out herein.

The Purchaser hereby acknowledges having received on the _____ day of _____, 20____ a copy of the disclosure statement dated May 19, 2016 (the "**Original Disclosure**"), all amendments thereto, if any, filed up to the date hereof (collectively, the "**Disclosure Statement**") and has been given a reasonable opportunity to read the Disclosure Statement. This Contract shall constitute a receipt of the Disclosure Statement.

| | |
|--|--|
| | |
|--|--|

Pursuant to Section 15(3) of the *Real Estate Development Marketing Act* (British Columbia) and the *Electronic Transactions Act*, the Purchaser hereby consents to receiving a copy of the Disclosure Statement and any amendments thereto by electronic means.

| | |
|--|--|
| | |
|--|--|

The Purchaser hereby confirms that he/she/they has/have read this Agreement including Addendum "A" and further confirms that other than the representations and warranties and terms and conditions contained in writing therein and in the Disclosure Statement NO REPRESENTATIONS, WARRANTIES, TERMS AND CONDITIONS MADE BY ANY PERSON OR AGENT SHALL BE BINDING UPON THE VENDOR UNLESS EXPRESSLY CONTAINED HEREIN OR IN THE DISCLOSURE STATEMENT.

| | | |
|--|--|--|
| | | |
|--|--|--|

THE TERMS AND CONDITIONS ATTACHED HERETO AS ADDENDUM "A" AND ANY OTHER SCHEDULE(S) OR ADDENDA ATTACHED HERETO ARE PART OF THIS AGREEMENT. READ THEM CAREFULLY BEFORE YOU SIGN. NO REPRESENTATIONS, WARRANTIES, TERMS AND CONDITIONS MADE BY ANY PERSON OR AGENT NOT CONTAINED HEREIN SHALL BE BINDING UPON THE VENDOR
THE PURCHASER HAS READ THIS AGREEMENT, INCLUDING ADDENDUM "A" AND HAS EXECUTED THIS AGREEMENT THIS DAY OF _____, 20__.

WITNESS: _____
Print Name:
(as to all signatures)

PURCHASER(S): _____

The Purchaser's offer to purchase contained herein is accepted by the Vendor at _____ a.m. / p.m. this _____ day of _____, 20__.

LIVING MIDTOWN 2 DEVELOPMENT LIMITED PARTNERSHIP,
by its general partner, **PORT CAPITAL DEVELOPMENT (MID2)**
INC.

Per: _____
(Authorized Signatory)





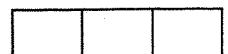
ADDENDUM "A"

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 CHEQUE or BANK DRAFT, to the Vendor's Solicitors "in trust" by NO LATER THAN 2:00 p.m. on the Completion Date. The completion date (the "**Completion Date**") will be no less than 10 days after the Vendor or the Vendor's Solicitors notifies the Purchaser or the Purchaser's solicitors/notary (the "**Purchaser's Solicitors**") in writing that the Strata Lot is ready to be occupied. Whether the Strata Lot is ready to be occupied refers to the Strata Lot and not any other strata lot or common property within the Development and the Strata Lot will be deemed to be ready to be occupied on the Completion Date if the City of Vancouver has provided permission to occupy the Strata Lot, whether such permission is temporary, conditional or final and in the Vendor's reasonable opinion the Strata Lot is ready to be occupied. 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 shall be the immediate following business day. 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 Strata Lot will be ready to be occupied. If the Strata Lot is not ready to be occupied 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 December 31, 2018 (the "**Outside Date**"), then at the Vendor's option this Agreement may be terminated, the Deposit and any accrued interest will be returned to the Purchaser and the parties will be released from all of their obligations hereunder, provided that:
- (a) if the Vendor is delayed from completing construction of the Strata Lot as a result of earthquake, act of terrorism or sabotage, flood or other act of God, fire, explosion or accident, howsoever caused, act of any governmental authority, strike, lockout, inability to obtain or delay in obtaining labour, supplies, materials or equipment, delay or failure by carriers or contractors, breakage or other casualty, climactic condition, interference of the Purchaser, or any other event of any nature whatsoever beyond the reasonable control of the Vendor, then the Outside Date will be extended for a period equivalent to such period of delay; and
 - (b) the Vendor may, at its option, exercisable by notice to the Purchaser, in addition to any extension pursuant to subsection 1(a) and whether or not any delay described in subsection 1(a) has occurred, elect to extend the Outside Date for a maximum of three (3) consecutive periods of up to one hundred twenty (120) days each.

The Vendor confirms that it currently estimates that the Completion Date will occur between March 1, 2018 and May 31, 2018 (the "**Estimated Date**"). The Purchaser acknowledges that there are many factors that impact the length of time required to construct a project of this scale and the Estimated Date has been provided by the Vendor as a matter of convenience only, is not meant to be legally binding upon the Vendor and that the actual Completion Date will be established in the manner set out in section 1 of this Addendum which may be earlier or later than the Estimated Date. The Purchaser agrees to complete the purchase of the Strata Lot on the Completion Date as established according to this section 1 regardless of the amount of time between the actual Completion Date and the Estimated Date. The Purchaser acknowledges and agrees that its decision to enter into and to perform the terms of this Agreement is not based upon whether the actual Completion Date occurs before, upon or after the Estimated Date.

2. **Conveyance.** A vendor's statement of adjustments and a freehold transfer for the Strata Lot and, if required by the Vendor, a certificate as to the GST registered status of the Purchaser, as well as any other documents required by the Vendor's Solicitors are to be delivered at the Purchaser's expense to the office of the Vendor's Solicitors located at 2900 – 550 Burrard Street, Vancouver, BC, V6E 0A3 Attention: Sarah Batut by the Purchaser's Solicitors at least **three (3) full business days** prior to the Completion Date. The Purchaser will be responsible for obtaining all other documents required to complete the transfer of the Strata Lot to the Purchaser, including a Form F and a Form B Information Certificate as such forms are described under the *Strata Property Act* (British Columbia). The Vendor will not be required to execute or deliver any other agreements transfer documents, resolutions, certificates, statutory declarations, or assurances whatsoever to the Purchaser.

The Vendor will execute and deliver such statement of adjustments, registrable freehold transfer and certificate (if required) to the Purchaser's Solicitors prior to the Completion Date on the condition that, forthwith upon the Purchaser's Solicitors obtaining a post registration title search from the applicable Land Title Office indicating that, in the ordinary course of Land Title Office procedure, the Purchaser will become the registered owner of the freehold interest in the Strata Lot (subject only to the Permitted Encumbrances and charges granted by the Purchaser), the Purchaser will cause payment of the balance of the Purchase Price due on the Completion Date by way of **solicitor's certified cheque or bank draft** to be made by the Purchaser's Solicitors to the Vendor's Solicitors. The transfer of the Strata Lot will also be subject to the Vendor's financing arranged in connection with the Development or any builders' lien claims on title to the Strata Lot as of the Completion Date provided that the Vendor's Solicitors undertake to clear title to the Strata 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 strata lots in the Development whereupon the Vendor covenants such financing will be discharged entirely.





ADDENDUM "A"

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 appropriate Land Title Office, but only if, before such lodging, the Purchaser has: (a) deposited with the Purchaser's Solicitors 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 Vendor or the Vendor's Solicitors 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 and Limitation of Vendor's Liability. The Deposit shall be dealt with by the Vendor's Solicitors as follows:

- (a) The Vendor may wait to forward the Initial Deposit to the Vendor's Solicitors until the 7-day rescission period following the Contract Date has passed pursuant to the *Real Estate Development Marketing Act* (British Columbia) and the Purchaser has not rescinded this Agreement by such time;
- (b) The Deposit, or any portion thereof, received under the terms of this Agreement will be deposited in a trust account with a Canadian chartered bank, trust company or credit union with interest to accrue to the benefit of the Vendor except as otherwise expressly provided herein;
- (c) If this Agreement is subject to one or more conditions precedent and any one of the conditions precedent is not satisfied or waived within the time provided or is deemed not satisfied or waived then the Deposit shall be paid to the Purchasers forthwith;
- (d) If the Purchaser completes the purchase of the Strata Lot on the terms and conditions contained herein, then the Deposit shall be applied to the Purchase Price and be paid to the Vendor;
- (e) If the Purchaser fails to complete the purchase of the Strata Lot on the terms and conditions contained herein, then the Deposit will be absolutely forfeited to the Vendor and the Vendor will be at liberty to pursue additional remedies including specific performance and/or damages for breach of this Agreement; and
- (f) If, for whatever reason, the Vendor fails to complete the sale of the Strata Lot on the terms and conditions contained herein or if the Vendor terminates this Agreement in accordance with Section 1 of this Addendum, then the Purchaser's sole and exclusive remedy against the Vendor will be the return of the Deposit to the Purchaser (or that portion of the Deposit paid by the Purchaser under the terms of this Agreement) (less the Vendor's Solicitors reasonable administrative fee not to exceed \$125.00) and the Vendor shall have no additional liabilities or obligations to the Purchaser.

The payment of any funds to the Vendor pursuant to Sections 3(e) or 9 hereof shall not be deemed to be all inclusive liquidated damages and shall not preclude any further claims or remedies by the Vendor against the Purchaser arising pursuant thereto.

The Purchaser understands that under Section 19 of the *Real Estate Development Marketing Act* (British Columbia), developers may enter into a deposit protection contract with an approved insurer pursuant to which the deposits paid by purchasers of land which is proposed to be subdivided or strata titled may be released to the developer. As a result, the Vendor, at its sole option, may enter into a deposit protection contract as required by such legislation with respect to the Deposit (or any portion thereof) and the Strata Lot. The Deposit (or such portion thereof) shall be released to the Vendor in accordance with such insurance contract or security agreement and the provisions of Sections 3 and 9 shall be deemed to have been amended accordingly.

4. 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 Strata Lot forms a part, and all other adjustments both incoming and outgoing of whatever nature in respect of the Strata Lot will be made as of the date the balance of the Purchase Price is due. The Purchaser hereby acknowledges and agrees that there may not be individual municipal property tax notices issued in respect of the Strata Lot prior to the Completion Date and in such instance, the Purchaser agrees that the municipal property taxes will be adjusted on the basis of the unit entitlement of the Strata Lot as a percentage of the aggregate unit entitlement of all strata lots shown in the Final Strata Plan (as defined herein). The Strata 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 Strata Lot have been paid in full, the Purchaser may have possession of the Strata Lot on the day following the Completion Date (the "**Possession Date**"). The Purchaser acknowledges that the Vendor may not appear on title as the registered owner of the Strata Lot and agrees, notwithstanding any provisions to the contrary herein or in the *Property Law Act* (or successor statutes), to accept a registrable assignment of the Strata Lot and other closing documents executed by a party other than the Vendor.

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ADDENDUM "A"

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 their name on the Possession Date. In the event the Purchaser does not transfer the utilities into their name as of the Possession Date, any charges to the Vendor that should be the Purchaser's responsibility will be paid to the Vendor in full within five (5) business days of notification. If said amount is not paid within the five (5) business days a \$50.00 charge will be applied to the outstanding amount for each week that the Purchaser fails to transfer the utilities into their name and fails to pay any charges to the Vendor resulting from such failure. The Purchaser is responsible for the monthly strata corporation fee and acknowledges that the monthly strata corporation fee shown in the Disclosure Statement is only an estimate of such fee.

5. Vendor's Termination Conditions. The Purchaser acknowledges and agrees that:

- (a) if by March 31, 2017, the Vendor has not satisfied the preconditions of its construction lender or if the full building permit has not been issued, the Vendor will have the right to terminate this Agreement by giving written notice to the Purchaser or the Purchaser's agent, at any time up until the Vendor has satisfied the preconditions of its construction lender or the full building permit has been issued; and
- (b) if by October 31, 2018, the Vendor has not deposited the Final Strata Plan (as defined herein) in respect of the Development in the applicable Land Title Office or if the City of Vancouver has not issued the occupancy permit applicable to the Strata Lot, the Vendor will have the right terminate this Agreement by giving written notice to the Purchaser or the Purchaser's agent, at any time up until the later of: (i) the date that the Final Strata Plan is deposited in the Land Title Office; and (ii) the date the City of Vancouver issues the occupancy permit applicable to the Strata Lot.

If the Vendor exercises its right to terminate this Agreement, this Agreement will terminate and be null and void as of the day the Vendor delivers the notice of termination to the Purchaser and that portion of the Deposit that has been paid shall be refunded to the Purchaser and neither party will have further obligations to the other. The Purchaser acknowledges that it is signing this Contract under seal and the Purchaser has no right to revoke his or her offer herein while this Agreement remains subject to the foregoing termination rights in favour of the Vendor. The Purchaser acknowledges and agrees that the Vendor will not be liable to the Purchaser for any damages or costs whatsoever incurred by the Purchaser resulting from the Vendor terminating this Agreement in accordance with this Section, including, without limitation, relocation costs, professional fees and disbursements, opportunity costs, loss of bargain, damages and/or costs resulting from hardship or any other damages or costs incurred, directly or indirectly, and this provision will constitute a complete defence to any claim that may be made against the Vendor by the Purchaser in respect of the Vendor's termination of this Agreement and any matter associated therewith.

6. 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 *Strata Property Act* (British Columbia) and *Builders Lien Act* (British Columbia) (or successor statutes) solely in respect of lien claims registered in the applicable Land Title Office 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 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 fifty-six (56) days after the date that the balance of the Purchase Price becomes due as aforesaid (the "Release Date"), the Lien Holdback plus interest, if any, accrued thereon, less the amount of any builders' lien claim filed against the Strata 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 consents to and authorizes the Vendor and the Vendor's Solicitors to do all things necessary to discharge any claims of builders' liens registered against title to the Strata Lot, including the commencement of court proceedings in the name of the Purchaser, provided that any such proceedings will be solely at the expense of the Vendor. If any claims of builders' liens are registered against title to the Strata Lot on or before the Release Date, the Vendor's Solicitors will continue to hold the Lien Holdback in trust until the builders liens are released from title to the Strata Lot or until a court otherwise orders the release of the Lien Holdback.

7. Disclosure Statement. The Purchaser acknowledges having received a copy of the disclosure statement for the Development including all amendments thereto, if any, filed up to the date hereof (collectively, the "Disclosure Statement") and has been given a reasonable opportunity to read the Disclosure Statement. The Disclosure Statement contains provisions explaining the obligations of the owner for the Strata Lot to pay monthly contributions to the common expenses of the strata corporation (strata fees).

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8. Amendment. Pursuant to Policy Statement No. 5 ("PS#5") and Policy Statement No. 6 ("PS#6") issued by the Superintendent of Real Estate, a developer may file a disclosure statement and market strata lots prior to the issuance of a building permit and prior to obtaining a financing commitment provided that an amendment with respect to PS#5 and PS#6 (the "Amendment") to the disclosure statement for the development is filed within nine (9) months of the developer filing the Disclosure Statement and subject to the conditions, set out below. The Vendor and the Purchaser

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ADDENDUM "A"

acknowledge and agree that the Strata Lot is being offered subject to PS#5 and PS#6. The Vendor will deliver to the Purchaser the Amendment setting out the particulars of the building permit and the satisfactory financing commitment for the construction of the Development and the following terms shall apply to this Agreement:

- (a) the Purchaser may cancel this Agreement for a period of seven (7) days after the receipt of the Amendment which sets out the details of the issued building permit if the layout or size of the Strata Lot, the construction of a major common facility, including a recreation centre or clubhouse, or the general layout of the Development, is materially changed by the issuance of the building permit;
- (b) If the Amendment setting out the particulars of the issued building permit and the satisfactory financing commitment for the Development is not received by the Purchaser within twelve (12) months after the initial Disclosure Statement was filed, the Purchaser may at his or her option cancel this Agreement at any time after the end of that twelve (12) month period until the required Amendment is received by the Purchaser, at which time the Purchaser may cancel this Agreement for a period of seven (7) days after receipt of the Amendment only if the layout or the size of the Strata Lot, the construction of a major common facility, including a recreation centre or clubhouse, or the general layout of the Development, is materially changed by the issuance of the building permit; and
- (c) the Deposit to be paid by the Purchaser who has not yet received the Amendment setting out the particulars of the financing commitment for the Development and the issued building permit shall not exceed ten (10%) percent of the Purchase Price. The Deposit paid by the Purchaser will be returned promptly to the Purchaser upon notice of cancellation from the Purchaser delivered within the time frames set out herein.

9. **Time of Essence.** Time will be of the essence hereof and unless all payments on account of the Purchase Price, together with adjustments thereto as provided herein and all other amounts payable 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 Deposit and all accrued interest thereon, if any, 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 Completion Date 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 two (2%) percent per month (twenty-four (24%) percent per annum), calculated daily and compounded monthly not in advance, from and including the date upon which such portion and amounts were due to and including the date upon which such portion and amounts are paid.

The Vendor, in its sole discretion, may cancel this Agreement pursuant to Subsection 9(a) at any time after extending the Completion Date pursuant to Subsection 9(b) if the Purchaser fails to complete on or before such extended date or may permit one or more further extensions pursuant to Subsection 9(b).

Should any extension of the Completion Date pursuant to Subsection 9(b) above result in the Completion date extending beyond the Outside Date, as discussed in Section 1 of this Addendum, the Outside Date shall be deemed to be extended to the same date as the Completion Date, and shall not give the Purchaser any rights to terminate this Agreement.

10. **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 Strata 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, its agents or employees, or any other person on behalf of the Vendor, other than those contained herein and in the Disclosure Statement, including, without limitation, arising out of any sales brochures, models, websites, representative view sets, showroom displays, photographs, illustrations or renderings or other marketing materials provided to the Purchaser or made available for his or her viewing. In particular, the Purchaser acknowledges and agrees that the materials, specifications, details, dimensions and floor plans set out in any materials viewed by the Purchaser are approximate and subject to change without notice in order to comply with building site conditions and municipal, structural and Vendor and/or architectural requirements.

11. **Construction.** The Purchaser is aware area measurements are approximate and based on architectural drawings and measurements. Final floor plans and surveyed areas may vary. The Strata Lot is as shown on the preliminary strata

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ADDENDUM "A"

plan (the "Preliminary Plan") forming part of the Disclosure Statement. The Vendor may make alterations to the features and layout of the Strata Lot which are desirable in the discretion of the Vendor. The Vendor reserves the right to alter the common property of the Development or the limited common property of any strata lots in the Development at any time and from time to time if, in its sole opinion, such alteration or alterations improve the structural integrity of the Development, its mechanical systems, its ability to withstand water penetration or aesthetics. The proposed dimensions, lot lines and location of the strata lots, the common property and the limited common property in the Development are set out in the Preliminary Plan. The actual size, dimensions and/or configuration of the strata lots, decks (if any) and/or other limited common property as set forth in the final strata plan (the "Final Strata Plan") for the Development may vary from what is depicted on the Preliminary Plan. The areas and dimensions of the strata lots in the Development set out in the Development marketing materials are approximate and are provided for information purposes only and are not represented as being the actual final areas and dimensions of the Lands and strata lots (including the Strata Lot) in the Development. In the event of any discrepancy between the area, size, dimensions, location and/or configuration of the strata lots, balconies, patios and/or decks and/or other limited common property in the Preliminary Plan and/or any architectural plans relating to the Development and/or any marketing materials and the Final Strata Plan, the Final Strata Plan will prevail.

12. **Measurement of Strata Lot.** The Purchaser acknowledges and agrees with the Vendor that if the area of the Strata Lot shown on the Final Strata Plan varies by more than three (3%) percent from the area shown on the Preliminary Plan as at the date of this Agreement, the Purchase Price shall be amended by multiplying the Purchase Price by the area of the Strata Lot shown on the Final Strata Plan and dividing the product by the area of the Strata Lot shown on the Preliminary Plan. In the event that the actual area of the Strata Lot shown on the Final Strata Plan varies by three (3%) percent or less from the area shown on the Preliminary Plan, there shall be no adjustment to the Purchase Price. The Purchaser acknowledges and agrees that the Purchaser will have no claim against the Vendor as a result of a change in area of the Strata Lot other than for the adjustment to the Purchase Price as aforesaid.

13. **Finishes - Natural Variations.** Due to the natural variation of colour and texture in the wood, stone, laminate and dye lots of the tile, carpet and other components of the Strata Lot, and the fact that the colour of natural products (especially wood) will change over time, the finishes of the wood, stone, tile, carpet and other components of the Strata Lot may differ from the colour and textures shown in any display unit or any samples provided to or viewed by the Purchaser. In addition, even within the Strata Lot, the textures, colours and finishes may vary for the same reasons. These variations are inherent characteristics which cannot be fully controlled, and the Vendor does not guarantee an exact match.

14. **Inspection.** The Vendor warrants that on the Completion Date the Strata Lot will be registered under a third party insurance provider. The Purchaser or his or her representative and a representative of the Vendor will inspect the Strata Lot at a reasonable time designated by the Vendor by written notice, by telephone or by e-mail prior to the Completion Date. The Purchaser may at his option forfeit this inspection or not accept the opportunity for inspection and will be deemed to be satisfied with and to have accepted the physical condition of the Strata Lot (including the existing kitchen, bathroom and other installations, equipment, appliances and furnishings) on the Completion Date. At the conclusion of such inspection, a conclusive list of any defects or deficiencies in any interior renovation and interior finishing work performed by the Vendor in the Strata Lot (the "Deficiencies") will be prepared by the Vendor, which Deficiencies are to be rectified by the Vendor within a reasonable period of time after the Completion Date. If there is any dispute as to the Deficiencies, the parties agree that the Vendor's project architect will conclusively settle the matter in dispute. The parties will sign the list and the Purchaser will be deemed to be satisfied with and to have accepted the physical condition of the Strata Lot (including the existing kitchen, bathroom and other installations, equipment, appliances and furnishings) subject only to the Deficiencies. The Purchaser covenants and agrees to complete the purchase of the Strata Lot on the Completion Date on the terms and conditions herein contained notwithstanding that the Deficiencies may be rectified subsequent to the Completion Date. The Vendor will remedy the Deficiencies noted on the list or as settled by the project architect within a reasonable period of time after the Completion Date to the satisfaction of the project architect, and the parties agree that notwithstanding the existence of any defects or deficiencies, including the Deficiencies, on the Completion Date, such will not permit the Purchaser to elect not to complete the purchase of the Strata Lot and there will be no deficiency holdback in respect of any defects or deficiencies, including the Deficiencies which may exist on the Completion Date. The Purchaser will not be permitted access to the Strata Lot prior to the Possession Date except for this inspection. The Purchaser acknowledges and agrees that the Vendor and its representatives will be permitted access to the Strata Lot following the Completion Date during normal working hours and on reasonable notice in order to carry out the work necessary to fix the Deficiencies. The Purchaser will be deemed to have forfeited the inspection if the Vendor is unable to reach the Purchaser or to schedule the inspection with the Purchaser, after reasonable attempts to do the same.

15. **Costs, Taxes and Rebates.** The Purchaser will pay costs and taxes in connection with the sale and purchase of the Strata Lot (including GST, PST, property transfer tax and any other provincial or federal sales, services, harmonized, value added or other tax required to be paid by the Purchaser in connection with the purchase and sale of the Strata Lot and the equipment and appliances included with the Strata Lot), other than the costs of the Vendor incurred in clearing title to the Strata Lot. Without limiting the generality of the foregoing, the Purchaser agrees that the Purchase

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Price does not include GST, PST or any applicable B.C. sales tax and that the Purchaser will remit, if and to the extent required under Part IX of the *Excise Tax Act* (Canada) or other applicable tax legislation or regulations, the Purchaser will remit to the Vendor on the Completion Date any GST or applicable B.C. sales tax that may be payable in respect of the transaction contemplated herein, and the Vendor agrees that it will remit such funds or, if permitted, otherwise account for such funds to Canada Customs and Revenue Agency ("**Revenue Canada**") in accordance with its obligations under Part IX of the *Excise Tax Act* (Canada) and to the British Columbia Minister of Finance, as applicable. Notwithstanding the foregoing, if the Purchaser is a corporation which is registered for GST purposes and, **on or before the Completion Date**, the Purchaser provides the Vendor with a certificate 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 entitled to self-assess the GST and account for the same directly to Revenue Canada. For certainty, the Vendor will NOT be providing any credit to the Purchaser in the amount of any new housing rebates whether GST, PST or B.C. new housing rebate, which the Purchaser may be entitled to claim.

16. **Assignment.** The Purchaser may NOT assign its interest in the Strata Lot or this Agreement or direct the transfer of the Strata Lot to any other or additional party (a "**Transfer**") within the six month period after this Agreement is executed by both parties and thereafter only if (a) all or the portion of the Deposit required to have been paid on or before the proposed date of assignment is fully paid; (b) the Vendor's form of assignment is used; (c) any consideration paid to the Purchaser for such assignment is paid to the Vendor; and (d) the Purchaser has obtained the written consent of the Vendor, such consent to be in the Vendor's sole discretion and may be arbitrarily withheld or conditioned. Except if a Transfer is expressly consented to by the Vendor, the Vendor will not be required to convey the Strata Lot to anyone other than the Purchaser named herein. The Vendor may at its option charge an administration fee of up to two (2%) percent of the Purchase Price (plus GST) as consideration for agreeing to a Transfer and for any associated legal and administrative costs. The assignment fee will be reduced to a fixed charge of \$500.00 if: (i) the Vendor is receiving any consideration paid to the Purchaser for such assignment; or (ii) the assignee is the Purchaser's spouse, parent, child, grandparent or grandchild provided that the Purchaser must advise the Vendor of such an assignment at least three (3) days prior to the Completion Date, which charge may be waived at the discretion of the Vendor. The Purchaser will provide such supporting documentation as requested by the Vendor. Following any Transfer, the assignor will not be relieved of his obligations hereunder but will continue to remain liable to perform all obligations of the Purchaser under this Agreement. Upon a request for consent to an assignment to a person other than a spouse, parent, child, grandparent or grandchild, the Vendor may, within two (2) business days of receipt of the request for consent, deliver written notice to the Purchaser that the Vendor elects to terminate this Agreement provided that the Vendor will pay to the Purchaser the amount of any consideration (the "**Assignment Consideration**") proposed to be paid by the assignee to the Purchaser for the Transfer and in such event, paragraph (c) above will no longer apply to the assignment. If the Vendor so elects, this Agreement will terminate and be null and void as of the day the Vendor delivers the notice of termination to the Purchaser and that portion of the Deposit that has been paid shall be refunded to the Purchaser along with the payment by the Vendor of the Assignment Consideration and neither party will have further obligations to the other. The Purchaser will not advertise or solicit offers from the public or use, directly or indirectly, the Multiple Listing Service® (MLS) with respect to the assignment or resale of the Strata Lot by the Purchaser before the Completion Date without the express prior written consent of the Vendor, which consent may be arbitrarily withheld.
17. **Successors & Assigns.** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors, permitted assigns, heirs, administrators and executors.
18. **Marketing Program.** The Purchaser agrees that the Vendor may continue to carry out construction work on the Development after the completion of the purchase of the Strata Lot by the Purchaser. The Purchaser acknowledges and accepts that such work may cause inconvenience to the use and enjoyment of the Strata Lot. The Purchaser will not impede or interfere with the Vendor's completion of construction of other strata lots, the common property or the Development. The Purchaser acknowledges that the Vendor may retain strata lots in the Development for use as sales and administrative offices and/or display suites for marketing purposes or otherwise. The Purchaser agrees that for so long as the Vendor is the owner or lessee of any strata lots in the Development, the Vendor may carry out marketing, promotional and sales activities within the common property (including parking stalls, lobby, common courtyard, hallways and parkade) of the Development or strata lots owned or leased by the Developer, including, without limitation, maintaining display suites, other display areas, parking areas and signage (including signage on the exterior of the Development) and permitting public access to same for the purpose of marketing any unsold strata lots. In addition, the Developer may conduct tours of the Development from time to time with prospective purchasers and hold events and other activities within the Development in connection with the marketing and sales activities.
19. **Governing Law.** This offer and the Agreement which will result from its acceptance shall 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.
20. **Contractual Rights.** This offer and the Agreement which results from its acceptance create contractual rights only and not any interest in land. The Purchaser will acquire an interest in land upon completion of the purchase and sale contemplated herein.





ADDENDUM "A"

- 21. **No Waiver.** No failure or delay on the part of any party in exercising any right under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right preclude any other or further exercise thereof or the exercise of any other right.
- 22. **No Merger.** The terms, representations, consents and covenants of this Agreement will survive the completion of the transaction contemplated herein and will not be merged in any document delivered pursuant to this Agreement.
- 23. **Amendments.** This Agreement may not be altered or amended except by written agreement signed by the parties hereto. Any addendum to this Agreement, if signed by the parties, forms part of and is subject to this Agreement.
- 24. **Joint and Several Obligations.** All obligations of the Purchaser in this Agreement are joint and several obligations of each party comprising the Purchaser.
- 25. **Personal Information.** The Purchaser and the Vendor hereby consent to the collection, use and disclosure by the Agents and salespersons described in the Agency Disclosure Addendum that forms a part of this Agreement, 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) for all purposes consistent with the transaction contemplated herein including:
 - (i) to complete the transaction contemplated by this Contract;
 - (ii) to facilitate the completion and management of the Development including the transfer of management of the Development to a property manager;
 - (iii) 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; and
 - (iv) to disclose such personal information to the Vendor's affiliates, assignees, business partners, bankers, lawyers, accountants and other advisors and consultants in furtherance of any of the foregoing purposes;
 - (b) if the Strata 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;
 - (c) for enforcing codes of professional conduct and ethics for members of real estate boards; and
 - (d) for the purpose (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled Working with A Real Estate Agent.
- 26. **Notice and Tender.** Any notice or communication required under or made in respect of this Agreement must be in writing and delivered to the party at the address (or email address) set out above or to such other address as the Vendor or the Purchaser may advise the other party in accordance with this paragraph. Such notice shall be deemed to have been delivered if so transmitted by email or personal delivery to the Purchaser, on the date of delivery as set out in the notice, or if mailed, on the third business day after the postage stamp of such mailing. The Vendor will have no obligation to locate the Purchaser or search for the Purchaser's new contact address if the Purchaser changes address and fails to provide the Vendor with the Purchaser's new address and, in such circumstances, notice delivered by the Vendor to the last address provided in writing by the Purchaser to the Seller will be valid and effective. Any delivery of documents, notices or funds to the Vendor or the Purchaser may be validly delivered by delivery to the Purchaser's Solicitors or the Vendor's Solicitors, as applicable. Any payment of funds to the Vendor must be paid by way of bank draft or certified cheque.
- 27. **Construction Noise.** The Purchaser is hereby advised and acknowledges that as and when other residential units in or around the Development and the commercial strata lot are being completed and/or moved into, excessive levels of construction noise, vibration, dust and/or debris are possible, and accordingly same may temporarily cause noise and inconvenience to the occupants of the Development. The Purchaser hereby irrevocably and unconditionally waives any claim the Purchaser has or may have against the Vendor or other entities or persons related to or in any way associated with the Vendor in respect of the matters set out in this Section 28. The provisions set out in this Section 28 will survive the Completion Date, registration of the transfer of the Strata Lot, and payment of the Purchase Price to the Vendor.
- 28. **Further Assurances.** The parties hereto will do such further acts and execute and deliver such documents that may be necessary or desirable to carry out the terms of this Agreement.
- 29. **Municipal Address and Strata Lot Number.** The municipal address of the Development and the strata lot number of the Strata Lot may be subject to change. The Purchaser will be notified by the Vendor of any such change and hereby

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ADDENDUM "A"

acknowledges that upon receiving such notice from the Vendor that this Agreement will be deemed to be amended accordingly and will remain in full force and effect.

30. **Condition Removal.** Notwithstanding anything to the contrary contained herein, if the Purchaser's obligation to purchase the Strata Lot is subject to one or more conditions as set out in an addendum hereto and if such conditions exist, then the Vendor may, on written notice to the Purchaser, require the Purchaser to either satisfy or waive such conditions by the delivery of written notice to the Vendor within 48 hours from the time the Vendor delivers notice to the Purchaser. If the Purchaser's written notice either satisfying or waiving the Purchaser's conditions is not received within the stipulated time, then this Agreement will terminate and the Deposit will be promptly returned to the Purchaser.

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EXHIBIT I
PARKING LEASE

THIS AGREEMENT made as of the ____ day of _____.

BETWEEN:

PORT CAPITAL DEVELOPMENT (MID2) INC.
328 West 2nd Avenue, Vancouver, B.C. V5Y 1C8

(the “**Landlord**”)

AND:



(the “**Tenant**”)

WHEREAS:


- A. The Landlord is the registered owner of certain lands and premises situate in Vancouver, British Columbia, and legally described as follows:

Parcel Identifier: 029-823-536
Lot A Block 156 District Lot 264A Group 1 New Westminster District Plan
EPP56692

(the “**Property**”);

- B. The Landlord has agreed to lease to the Tenant:

- (i) 59 resident parking stalls and 17 commercial parking stalls (respectively, the “**Resident Stalls**”, the “**Commercial Stalls**”, and collectively the “**Stalls**”);
- (ii) 63 resident bicycle spaces and 2 commercial bicycle spaces (respectively the “**Resident Bicycle Spaces**”, the “**Commercial Bicycle Spaces**”, and collectively the “**Bicycle Spaces**”); and
- (iii) certain storage lockers (the “**Lockers**”).

all within the strata development being constructed on the Property (the “**Strata Development**”), which Stalls, Bicycle Spaces and Lockers are shown outlined in heavy black line on the explanatory plan prepared by , British Columbia Land Surveyor and certified correct _____, 20__ (the “**Survey Plan**”) (a reduced copy of which is attached hereto as Schedule “A”), all on the terms and conditions set out in this

Lease and with the right of the Tenant to grant partial assignments of this Lease pertaining to particular Stalls, Bicycle Spaces and/or Lockers to the members of the strata corporation (the “**Strata Corporation**”) formed upon deposit for registration of a strata plan subdividing the Property (the “**Strata Plan**”) in the Land Title Office;

- C. After entering into this Lease, the Landlord proposes to subdivide the Property by means of the Strata Plan pursuant to the *Strata Property Act (British Columbia)* to create the Strata Development;
- D. The Strata Plan will designate the Resident Stalls, Resident Bicycle Spaces and Lockers as common property of the Residential Section of the Strata Corporation and designate the Commercial Stalls and Commercial Bicycle Spaces as common property of the Commercial Section of the Strata Corporation; and
- E. Each of the parties to this Lease agree that title to the common property of the Strata Corporation will be encumbered by this Lease and, if applicable, a document securing or evidencing this Lease.

NOW THEREFORE in consideration of \$10.00 of lawful money of Canada now paid by the Tenant to the Landlord, and in consideration of the premises and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Tenant and the Landlord, the parties agree as follows:

**PART 1 -
Grant**

1.1 The Landlord hereby leases to the Tenant for the Term (as defined in Section 2.1) all of the Stalls, Bicycle Spaces and Lockers now existing or to be constructed in the areas outlined in heavy black line on the Survey Plan.

**PART 2 -
Term**

- 2.1** The term of this Lease (the “**Term**”) will commence on the ____ day of _____ and terminate on the earlier of:
- (a) the date the Strata Corporation is dissolved or wound up by order of a Court with competent jurisdiction;
 - (b) the date the Land Title Office orders the cancellation of the Strata Plan; and
 - (c) the date which is 99 years after commencement date of this Lease.

**PART 3 -
Rent**

3.1 The parties to this Lease acknowledge that the sum of \$10.00 now paid by the Tenant to the Landlord will be the only payment required to be paid to the Landlord during the

Term by either the Tenant, any assignee of a partial assignment under this Lease, or any user of a particular Stall, Bicycle Space or Locker.

**PART 4 -
License**

4.1 The Landlord agrees that the Tenant may at all times, in common with the Landlord and all other persons now or hereafter having the express or implied permission of the Landlord or the Strata Corporation, if applicable, or having a similar right, enter upon and pass over any part of the Property (including, without limitation, upon the common areas shown on the Strata Plan but excluding, for certainty, individual strata lots shown on the Strata Plan) necessary for the purpose of obtaining access to or egress from the Stalls, Bicycle Spaces or Lockers, provided that the operation of vehicles will be restricted to roadways, driveways and ramps. The Landlord will at all times provide the Tenant, in its capacity as the Tenant of the Stalls, Bicycle Spaces and Lockers, with means of access to any security devices as necessary to enable the Tenant and subsequent assignees to use and enjoy the Stalls, Bicycle Spaces and Lockers.

**PART 5 -
Strata Plan**

5.1 This Lease and the covenants and obligations of the Landlord under this Lease run with and bind the Property, and upon the subdivision of the Property by means of the Strata Plan such covenants and obligations will:

- (a) continue to run with and bind the common property; and
- (b) be assumed by the Strata Corporation, as the representative of the owners of strata lots within the Strata Development, following the registration of the Strata Plan and execution by the Landlord and the Strata Corporation of an Assignment and Assumption Agreement (the “**Assumption Agreement**”) in the form attached hereto as Schedule “B”.

Upon assumption by the Strata Corporation of the Landlord’s obligations under this Lease, the Landlord will be absolutely and forever released from any further obligation or liabilities hereunder and will no longer be entitled to the benefit of any rights hereunder.

**PART 6 -
Common Property**

6.1 This Lease is intended to apply only to a portion of the common property, which will be created upon the deposit for registration of the Strata Plan, and not at any time to burden the title to any individual strata lot.

**PART 7 -
Maintenance**

7.1 The Landlord confirms that until the deposit for registration of the Strata Plan and execution of the Assumption Agreement by the parties to it, the Landlord will be solely responsible for the control, management, and administration of the Stalls, Bicycle Spaces and Lockers but thereafter, pursuant to Section 5.1(b) the Strata Corporation will assume full responsibility for the control, management and administration of the Stalls, Bicycle Spaces and Lockers as common property in accordance with the provisions of the *Strata Property Act* (British Columbia) and may pass bylaws or make rules and regulations with respect to the Stalls, Bicycle Spaces and Lockers as long as such bylaws, rules or regulations do not materially interfere with the rights of the Tenant or any subsequent assignee under this Lease.

**PART 8 -
Alterations**

8.1 The Tenant, its successors and permitted assigns, are not entitled to alter, or to perform any repairs of any sort whatsoever to the Stalls, Bicycle Spaces or Lockers. Any such alterations or repairs are the sole responsibility of the Landlord prior to the registration of the Strata Plan and execution of the Assumption Agreement and thereafter the sole responsibility of the Strata Corporation.

**PART 9 -
Subordination**

9.1 The Tenant agrees to subordinate its interest pursuant to this Lease to any financial encumbrance registered by the Landlord against title to the Property.

**PART 10 -
Partial Assignments**

10.1 The Tenant may partially assign this Lease and its rights under this Lease with respect to particular Stalls, Bicycle Spaces and/or Lockers to purchasers of strata lots within the Strata Development or to the Strata Corporation provided that the Resident Stalls and Resident Bicycle Spaces may only be assigned to purchasers of residential strata lots and the Commercial Stalls and Commercial Bicycle Space may only be assigned to purchasers of commercial strata lots. Any such partial assignment will be for such consideration as the Tenant may in its sole discretion determine, which consideration may be retained by the Tenant for its own benefit. Any partial assignment by the Tenant, or by any subsequent assignee of this Lease and its rights under this Lease pertaining to a particular Stall, Bicycle Space or Locker:

- (a) will be absolute, and the assignee and its guests, lessees, successors and permitted assigns will be entitled to the use and enjoyment of such Stall, Bicycle Space or Locker so assigned for the balance of the Term;
- (b) will be an assignment of rights to which an assignee will only be entitled for so long as such assignee owns a strata lot within the Strata Development unless the assignment is to the Strata Corporation;

- (c) may only be assigned to an owner or purchaser of a strata lot within the Strata Development or to the Strata Corporation;
- (d) will not be effective until written notice of such assignment (together with a copy of such assignment if available) is delivered by the assignee to the Strata Corporation, subject to Section 11.1 of this Lease; and
- (e) if the Resident Stall is an electric vehicle parking stall with charge receptacles (an “**Electric Vehicle Stall**”) or handicap parking stall (a “**Handicap Stall**”), the Strata Corporation may, upon receipt of a written request to do so, give 30 days’ written notice (the “**Notice**”) to an assignee of such Electric Vehicle Stall or Handicap Stall requiring such assignee to transfer such Electric Vehicle Stall or Handicap Stall to another owner within the Strata Development in exchange for a Resident Stall which is not an Electric Vehicle Stall or Handicap Stall. There shall be no monetary consideration for such exchange. Upon the expiration of the Notice period, the parties shall enter into partial assignments of the Lease with respect to the parking stalls being exchanged in the form attached hereto as Schedules “C” and “D” respectively. In the event either of the parties do not execute the required assignment of Lease, the assignment will be deemed to have occurred without execution of a partial assignment of the Lease. Notwithstanding the foregoing, a Notice shall only be given by the Strata Corporation if:
 - (i) the owner of the Strata Lot holding the Lease of such Electric Vehicle Stall or Handicap Stall, or a full-time occupant of such Strata Lot, is not the owner or lessee of an electric vehicle or a holder of a permanent disability handicap parking pass obtained by a formal application approved by a medical doctor (the “**Parking Pass**”) as the case may be; and
 - (ii) the owner or full-time occupant of the Strata Lot requesting an Electric Vehicle Stall is the registered owner or lessee of an electric vehicle but does not hold an Electric Vehicle Stall pursuant to partial assignment of this Lease or the owner or full-time occupant of the Strata Lot requesting a Handicap Stall is the holder of a Parking Pass but does not hold a Handicap Stall pursuant to a partial assignment of this Lease.

The owner of a Strata Lot holding the Lease of an Electric Vehicle Stall will be responsible for all utility costs associated with that Electric Vehicle Stall.

PART 11 - Automatic Assignment

11.1 If a holder of an interest in a Stall, Bicycle Space or Locker sells all of his or her strata lot within the Strata Development to which such Stall, Bicycle Space or Locker is at such time appurtenant as shown on the register maintained under Section 16.1 without concurrently executing an assignment of such Stall, Bicycle Space or Locker to the purchaser of his or her strata lot, then the interest of such holder in such Stall, Bicycle Space or Locker will be deemed

to have been automatically assigned to and assumed by the purchaser of his or her strata lot without execution of a partial assignment of this Lease with respect to such Stall, Bicycle Space or Locker or delivery of notice of such partial assignment to the Strata Corporation.

**PART 12 -
Exchanges and Transfers**

12.1 A holder of an interest (the “**First Owner**”) in a Stall, Bicycle Space or Locker (the “**First Stall or Locker**”) may exchange his or her interest in the First Stall or Locker with the holder of an interest (the “**Second Owner**”) in a different Stall, Bicycle Space or Locker (the “**Second Stall or Locker**”) for such consideration as the First Owner and the Second Owner may agree. Such an exchange will be accomplished by the First Owner partially assigning this Lease to the Second Owner in respect of the First Stall or Locker, and the Second Owner partially assigning this Lease to the First Owner in respect of the Second Stall or Locker. The First Owner and the Second Owner will each execute a partial assignment of this Lease substantially in the form attached hereto as Schedule “C” or Schedule “D” as applicable. The exchange will be on the terms set out in Sections 10.1(a) to (c) and will not be effective until written notice of each assignment (together with a copy of each assignment) is delivered to the Strata Corporation. For greater certainty, Section 11.1 will not apply to exchanges under this Section 12.1.

12.2 A holder of an interest (the “**First Owner**”) in a Resident Stall, Bicycle Space or Locker may transfer his or her interest in such Resident Stall, Bicycle Space or Locker to an owner of a leasehold interest in another strata lot within the Strata Development or the Strata Corporation (the “**Second Owner**”) for such consideration as the First Owner and the Second Owner may agree. Such a transfer will be accomplished by the First Owner partially assigning this Lease to the Second Owner and, in connection therewith, the First Owner will execute a partial assignment substantially in the form attached hereto as Schedule “C” or Schedule “D” as applicable. The transfer will be on the terms set out in Sections 10.1(a) to (c) and will not be effective until written notice of the assignment (together with a copy of the assignment) is delivered to the Strata Corporation. For greater certainty, Section 11.1 will not apply to transfers under this Section 12.2.

12.3 A holder of a Resident Stall or Resident Bicycle Space may not exchange his or her interest in a Resident Stall or Resident Bicycle Space with an owner of a Commercial Stall or Commercial Bicycle Space and a holder of a Commercial Stall or Commercial Bicycle Space may not exchange his or her interest in a Commercial Stall or Commercial Bicycle Space with an owner of a Resident Stall or Resident Bicycle Space.

**PART 13 -
Consent**

13.1 The consent of the Strata Corporation will not be required for any partial assignment of this Lease. The Strata Corporation will not interfere with or attempt to interrupt or terminate the rights of an assignee under any such assignment except as expressly agreed by such assignee.

**PART 14 -
Form of Partial Assignments**

14.1 Subject to Section 11.1, all partial assignments of this Lease will be substantially in the form attached hereto as Schedules "C" and "D", as the case may be. No such partial assignment will be registrable by an assignee in any Land Title Office.

**PART 15 -
Release of Assignors**

15.1 Upon the partial assignment (including an automatic assignment pursuant to Section 11.1) of this Lease pertaining to a particular Stall, Bicycle Space or Locker, the Tenant and any subsequent assignor of an interest in such Stall, Bicycle Space or Locker will be automatically and absolutely released from any obligations or liabilities under this Lease as it pertains to such Stall, Bicycle Space or Locker.

**PART 16 -
Register of Partial Assignments**

16.1 The Landlord and, after the registration of the Strata Plan and execution of the Assumption Agreement, the Strata Corporation, will maintain a register of all Stalls, Bicycle Spaces and Lockers and will record on such register each partial assignment of this Lease indicating:

- (a) the number of the Stall, Bicycle Space or Locker assigned;
- (b) the date of assignment;
- (c) the name and address of the assignee; and
- (d) the number of the strata lot within the Strata Development owned by the assignee to which such Stall, Bicycle Space or Locker is at the time appurtenant, unless the assignee is the Strata Corporation in which event the Stall, Bicycle Space or Locker need not be appurtenant to a strata lot.

16.2 Upon request by any owner or prospective purchaser of a strata lot within the Strata Development, the Strata Corporation will provide a certificate, within seven days of receipt of such request, certifying the name and address of the owner to whom a particular Stall, Bicycle Space or Locker is assigned and the number of the strata lot within the Strata Development to which such Stall, Bicycle Space or Locker is at the time appurtenant. The Landlord or Strata Corporation may require a fee of not more than \$10.00, or a greater amount reasonably prescribed by the bylaws of the Strata Corporation, from the person requesting such certificate. Upon the Strata Corporation becoming aware of a partial assignment pertaining to a particular Stall, Bicycle Space or Locker pursuant to Sections 10.1 or 11.1, the Strata Corporation will amend the register accordingly.

**PART 17 -
MISCELLANEOUS**

17.1 Supersession of Lease

If the Strata Corporation deems it more appropriate it may, by a 75% vote (or such other vote as dictated by the *Strata Property Act* (British Columbia)), supersede this Lease and grant to all persons shown then on the Strata Corporation's register as the holders of rights to certain Stalls, Bicycle Spaces or Lockers, the exclusive right to use their respective Stalls, Bicycle Spaces or Lockers which are substantially similar to the rights granted to such persons through partial assignments of this Lease.

17.2 Form of Agreement

Each of the parties hereto agree, if necessary, to amend the form of this Lease to meet the requirements of the Registrar of the Land Title Office or of any governmental or public authority or as otherwise necessary to confer unto the parties the rights granted in this Lease.

17.3 Definitions

Any term defined in the recitals to this Lease will have the same meaning throughout this Lease.

17.4 Execution

This Lease may be executed in any number of counterparts and by facsimile or other electronic means, each of which shall be deemed to be an original, and all of which together shall constitute one and the same document.

17.5 No Registration

The Tenant covenants with the Landlord that it will not register or attempt to register this Lease nor any charge based on this Lease against title to the Property and agrees that the Landlord shall be under no obligation to deliver this Lease in registrable form.

[remainder of page intentionally left blank]


17.6 Enurement

This Lease will enure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted assigns.

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

**PORT CAPITAL DEVELOPMENT (MID2)
INC.** by its authorized signatory(s):

Authorized Signatory

 by its undersigned authorized signatory(s):

Authorized Signatory

**SCHEDULE "A" TO PARKING LEASE
SURVEY PLAN OF STALLS AND LOCKERS**

[to be attached]

SCHEDULE "B" TO PARKING LEASE

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS AGREEMENT made as of the ___ day of _____.

BETWEEN:

PORT CAPITAL DEVELOPMENT (MID2) INC.
328 West 2nd Avenue, Vancouver, B.C. V5Y 1C8

(the "Assignor")

OF THE FIRST PART

AND:

THE OWNERS, STRATA PLAN _____ of

Vancouver, British Columbia,

(the "Assignee")

OF THE SECOND PART

WHEREAS:

The Assignor is the registered owner of certain lands and premises situate in Vancouver, British Columbia, and legally described as follows:

Parcel Identifier: 029-823-536
Lot A Block 156 District Lot 264A Group 1 New Westminster District Plan EPP56692

(the "Property");

- A. By a Parking Lease (the "Parking Lease") dated _____ made between the Assignor as the "Landlord" and [redacted] as "Tenant" (the "Tenant"), a copy of which Parking Lease is attached hereto as Schedule "A", the Assignor leased to the Tenant certain resident parking and commercial parking stalls (collectively the "Stalls"), bicycle spaces (the "Spaces") and storage lockers (the "Lockers") within the parking facility of the building forming part of the strata development constructed on the Property and shown outlined in heavy black line on the Survey Plan attached as Schedule "A" to the Parking Lease, all on the terms and conditions set out in the Parking Lease and with the right of [redacted] to grant partial assignments of the Parking Lease pertaining to particular Stalls, the Spaces and Lockers to the owners of strata lots in the strata plan filed or to be filed in respect of the Property (the "Strata Plan");

- B. The Strata Plan was filed for registration in the Lower Mainland Land Title Office thereby creating The Owners, Strata Plan BCP _____ being the Assignee named in this instrument; and
- C. The Assignor has agreed to assign all its rights under the Parking Lease to the Assignee and the Assignee has agreed, as the representative of the owners of the strata lots within the Strata Plan, to assume all of the Assignor's rights, obligations and liabilities under the Parking Lease on registration of the Strata Plan and execution by the Assignor and the Assignee of this Agreement.

NOW THEREFORE in consideration of the premises and the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Assignor, the parties covenant and agree as follows:

1. Assignment. The Assignor hereby absolutely grants, transfers, assigns and sets over unto the Assignee for its own use absolutely all the right, title and interest of the Assignor in and to the Parking Lease and all rights, benefits and advantages to be derived therefrom from and including the date hereof.
2. Assumption. The Assignee hereby covenants and agrees to assume and be bound by all of the liabilities and obligations of the Assignor under the Parking Lease and to observe, keep and perform all the terms, covenants and conditions in the Parking Lease during all the residue now unexpired of the Term of the Parking Lease as fully and effectually as if the Assignee had been the Landlord named in the Parking Lease.
3. Waiver and Indemnity. The Assignee hereby releases the Assignor from, covenants to make no claim against the Assignor in respect of, and covenants with the Assignor to indemnify the Assignor against, all actions, suits, costs, expenses, charges, damages, losses, claims and demands for or on account of or in any way arising out of the Parking Lease before or after the date hereof, it being understood and agreed that, provided the Strata Plan has been filed for registration in the Land Title Office prior to the execution of this Agreement then, on execution of this Agreement all of the rights, obligations and liabilities of the Assignor arising out of or in any way related to the Parking Lease shall pass to and be assumed by the Assignee.
4. Enurement. This Assignment will enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors and assigns.
5. Definitions. Unless otherwise defined herein, capitalized terms used in this Agreement shall have the same meaning as those used in the Parking Lease.
6. Execution. This Agreement may be executed in any number of counterparts and by facsimile or other electronic means, each of which shall be deemed to be an original, and all of which together shall constitute one and the same document.

IN WITNESS WHEREOF the parties hereto have executed this indenture as and of the day and year first above written.

**PORT CAPITAL DEVELOPMENT (MID2)
INC.** by its authorized signatory(s):

Authorized Signatory

THE OWNERS, STRATA PLAN
_____. by its authorized signatory(s):

Authorized Signatory

**SCHEDULE "A" TO
ASSIGNMENT AND ASSUMPTION AGREEMENT**

Executed Copy of Parking Lease

See Attached.

[Copy of Parking Lease to be attached here.]

SCHEDULE "C" TO PARKING LEASE

**PARKING STALL/BICYCLE SPACE/STORAGE LOCATED ASSIGNMENT
(STALL OTHER THAN A HANDICAP STALL OR ELECTRIC VEHICLE STALL)**

BETWEEN:



(the "Assignor")

AND:



(the "Assignee")

**RE: Parking Stall No(s). _____ and _____ (the "Stall")
Bicycle Space No. _____ (the "Bicycle Space")
Storage Locker No. _____ (the "Storage Locker")
shown on the Survey Plan (as defined in the Parking Lease)**

WHEREAS the Assignor is the Tenant of the Stall, the Bicycle Space and/or the Locker and the Assignee is or will become the owner of strata lot _____ (the "Strata Lot") in Strata Plan _____.

In consideration of the covenants and agreements set forth in this Assignment the parties agree with each other as follows:

1. Assignment. Effective as of the date of the purchase of the Strata Lot by the Assignee, the Assignor hereby assigns to the Assignee its partial interest in the Parking Lease dated _____ (the "**Parking Lease**") made between Port Capital Development (Mid2) Inc., as the Landlord (the "**Landlord**") and the Assignor as "**Tenant**" pertaining to the exclusive right to lease the Stall, Bicycle Space and/or Locker for the balance of the Term (as defined in the Parking Lease) which Parking Lease was assigned by Landlord to The Owners, Strata Plan _____ (the "**Strata Corporation**"). Subject to Section 11.1 of the Parking Lease, this Assignment will not be effective until the Assignee has delivered a copy of this Assignment to the Strata Corporation.
2. Assignment Contingent Upon Strata Lot Owners. Unless the Assignee is the Strata Corporation, the Assignee, its successors, permitted assigns, heirs, executors or administrators will only be entitled to the rights with respect to the Stall, Bicycle Space and/or Locker for as long as the Assignee owns the Strata Lot.

3. Compliance. The Assignee agrees to use the Stall, Bicycle Space and/or Locker in accordance with the bylaws, rules and regulations of the Strata Corporation, but only to the extent such bylaws, rules and regulations do not materially interfere with the Assignee's rights under this Assignment. The Assignee further assumes and agrees to be responsible for all maintenance costs, taxes and other expenses which are directly attributable to the Stall, Bicycle Space and/or Locker, (save and except for the cost of any such maintenance, repair or replacement that is covered by the Strata Corporation's insurance).
4. Sale or Disposition. The Assignee may only assign its rights under this Assignment in accordance with the Parking Lease.
5. Acknowledgment. The Assignee acknowledges having received a copy of the Parking Lease and agrees to be fully bound by its terms.
6. Enurement. This Assignment will enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors and assigns.
7. Definitions. Unless otherwise defined herein, capitalized terms used in this Assignment shall have the same meaning as those used in the Parking Lease.
8. Execution. This Agreement may be executed in one or more counterparts, each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.
9. Waiver and Indemnity. The Assignee hereby releases the Assignor from, covenants to make no claim against the Assignor in respect of, and covenants with the Assignor to indemnify the Assignor against, all actions, suits, costs, expenses, charges, damages, losses, claims and demands for or on account of or in any way arising out of the Parking Lease before or after the date hereof, it being understood and agreed that, on execution of this Agreement, all of the rights, obligations and liabilities of the Assignor arising out of or in any way related to the Parking Lease shall pass to and be assumed by the Assignee.

The parties have executed this Assignment effective as of the ____ day of _____.

[<@> [Parking Tenant] or THE OWNERS, STRATA PLAN

_____] by its authorized signatory(s):

Per: _____
Authorized Signatory

Assignee

Assignee

SCHEDULE "D" TO PARKING LEASE

**PARKING STALL/BICYCLE SPACE/STORAGE LOCKER ASSIGNMENT
(ELECTRIC VEHICLE STALL OR HANDICAP STALL)**

BETWEEN:



(the "Assignor")

AND:



(the "Assignee")

**RE: Parking Stall No(s). _____ and _____ (the "Stall")
Bicycle Space No. _____ (the "Bicycle Space")
Storage Locker No. _____ (the "Locker")
shown on the Survey Plan (as defined in the Parking Lease)**

WHEREAS the Assignor is the tenant of the Stall, Bicycle Space and/or the Locker and the Assignee is or will become the owner of strata lot _____ (the "Strata Lot") in Strata Plan _____.

IN CONSIDERATION OF the covenants and agreements set forth in this assignment, the parties agree with each other as follows:

1. Assignment. Effective as of the date of the purchase of the Strata Lot by the Assignee, the Assignor hereby assigns to the Assignee its partial interest in the Parking Lease dated _____ (the "**Parking Lease**") made between Port Capital Development (Mid2) Inc., as the Landlord (the "**Landlord**") and the Assignor as "**Tenant**" pertaining to the exclusive right to lease the Stall, Bicycle Space and/or Locker for the balance of the Term (as defined in the Parking Lease) which Parking Lease was assigned by the Landlord to The Owners. Strata Plan _____ (the "**Strata Corporation**"). Subject to Section 11.1 of the Parking Lease, this Assignment will not be effective until the Assignee has delivered a copy of this Assignment to the Strata Corporation.
2. Assignment Contingent Upon Strata Lot Ownership. Unless the Assignee is the Strata Corporation the Assignee, its successors, permitted assigns, heirs, executors or administrators will only be entitled to the rights with respect to the Stall, Bicycle Space and/or Locker for as long as the Assignee owns the Strata Lot.
3. Compliance. The Assignee agrees to use the Stall, Bicycle Space and/or Locker in accordance with the bylaws, rules and regulations of the Strata Corporation, but only to

the extent such bylaws, rules and regulations do not materially interfere with the Assignee's rights under this Assignment. The Assignee further assumes and agrees to be responsible for all maintenance costs, taxes and other expenses which are directly attributable to the Stall, Bicycle Space and/or Locker (save and except for the cost of any such maintenance, repair or replacement that is covered by the Strata Corporation's insurance).

4. Required Assignment. The Assignee acknowledges and agrees that the Assignor or Strata Corporation may require, upon 30 days' written notice, the Assignee to assign the Stall to another leasehold owner of a Strata Lot in exchange for a Resident Stall which is not an Electric Vehicle Stall or a Handicap Stall. The Assignee agrees to execute an assignment of the Stall in the form of this Assignment at the end of the notice period upon the condition that the Assignee receives in exchange an assignment of a Resident Stall in the building which is not an Electric Vehicle Stall or a Handicap Stall. The exchange of parking stalls shall be without compensation and in accordance with the terms of the Parking Lease and the bylaws of the Strata Corporation. Notwithstanding the foregoing, the Assignee acknowledges and agrees that such notice may only be given by the Strata Corporation if:
 - (a) The Assignee or a full-time occupant of the Strata Lot is not the registered owner or lessee of an electric vehicle or the Assignee or a full-time occupant of the Strata Lot does not hold a permanent disability handicap parking pass obtained by formal application approved by a medical doctor (a "**Parking Pass**"); and
 - (b) The owner or full-time occupant of another Strata Lot requesting an Electric Vehicle Stall is the register owner or lessee of an electric vehicle but does not hold an Electric Vehicle Stall partial assignment of the Parking Lease or the owner or full-time occupant of another Strata Lot requesting a Handicap Stall is the holder of a Parking Pass but does not hold a Handicap Stall partial assignment of the Parking Lease.
5. Sale or Disposition. The Assignee may only assign its rights under this Assignment in accordance with the Parking Lease.
6. Acknowledgment. The Assignee acknowledges having received a copy of the Parking Lease and agrees to be fully bound by its terms.
7. Enurement. This Assignment will enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors and assigns.
8. Definitions. Unless otherwise defined herein, capitalized terms used in this Assignment shall have the same meaning as those used in the Parking Lease.
9. Execution. This Assignment may be executed in one or more counterparts, each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.

- 10. Waiver and Indemnity. The Assignee hereby releases the Assignor from, covenants to make no claim against the Assignor in respect of, and covenants with the Assignor to indemnify the Assignor against, all actions, suits, costs, expenses, charges, damages, losses, claims and demands for or on account of or in any way arising out of the Parking Lease before or after the date hereof, it being understood and agreed that, on execution of this Assignment, all of the rights, obligations and liabilities of the Assignor arising out of or in any way related to the Parking Lease shall pass to and be assumed by the Assignee.

The parties have executed this Assignment effective as of the ____ day of _____.

[<@> [Parking Tenant] or THE OWNERS, STRATA PLAN

_____] by its authorized signatory(s):

Per: _____
Authorized Signatory

Assignee

Assignee

EXHIBIT J

TERMS OF INSTRUMENT - PART 2

OPTION TO LEASE

WHEREAS:


Port Capital Development (Mid2) Inc. ("Port Capital") is the registered owner of certain lands and premises situate in Vancouver, British Columbia, and legally described as follows:


Parcel Identifier: 029-823-536
Lot A Block 156 District Lot 264A Group 1 New Westminster District Plan
EPP56692

(the "**Property**");

The Property contains approximately:

- (i) 76 parking stalls (consisting of resident, electric vehicle and handicap parking stalls);
- (ii) approximately 65 bicycle storage spaces; and
- (iii) approximately 39 storage lockers,

all located in the parking facility on the Property, and shown outlined in heavy black line on the explanatory plan prepared by , British Columbia Land Surveyor and certified correct _____, 20__ (the "**Survey Plan**"), a reduced copy of which is attached hereto as Schedule A;

Port Capital has agreed to grant  (the "**Transferee**") an option to Lease all of the area shown outlined in heavy black line on the Survey Plan (the "**Option Area**") on the terms and conditions set out in this Agreement;

In furtherance of the development of the Property, Port Capital proposes to subdivide the Property by means of a strata plan (the "**Strata Plan**") pursuant to the *Strata Property Act* (British Columbia) to create a strata development (the "**Strata Development**");

If Port Capital subdivides the Property by means of a Strata Plan, the Strata Plan will designate the Option Area as common property of the strata corporation (the "**Strata Corporation**") formed upon deposit for registration of the Strata Plan in the Land Title Office; and

Each of the parties to this Agreement agrees that if Port Capital proceeds to subdivide the Property by means of a Strata Plan, the common property of the Strata Corporation which is created will be encumbered by this Agreement.

NOW THEREFORE in consideration of \$10.00 of lawful money of Canada (the "**Option Fee**") now paid by the Transferee to Port Capital, and in consideration of the premises and for other

valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Port Capital and the Transferee, the parties agree as follows:

**ARTICLE 1
GRANT OF OPTION**

1.1 Port Capital hereby grants to the Transferee an exclusive and irrevocable option to lease (the “**Option**”) the Option Area on the terms as substantially set out in the form of lease (the “**Lease**”) attached hereto as Schedule B.

**ARTICLE 2
OPTION PERIOD**

2.1 The Option is open for exercise by the Transferee at any time from the date of this Agreement until the earlier of:

- (a) the date the Strata Corporation is dissolved or wound up by order of a Court with competent jurisdiction;
- (b) the date the Land Title Office orders the cancellation of the Strata Plan; and
- (c) the date which is 99 years after the date of this Agreement.

**ARTICLE 3
EXERCISE OF OPTION**

3.1 At any time during the period in which the Option is open for exercise, the Transferee may exercise the Option by giving to Port Capital written notice of the exercise of the Option in the manner provided herein, which notice shall clearly refer to this Agreement and shall be unequivocal and unconditional.

**ARTICLE 4
EXECUTION OF LEASE**

4.1 If the Option is exercised by the Transferee in the manner provided herein, the Transferee will prepare the Lease at its sole cost and deliver the same to Port Capital within seven (7) days after the date the notice referred to in Section 3.1 was given. Port Capital will execute and deliver the Lease to the Transferee within seven (7) days after the date of delivery by the Transferee.

**ARTICLE 5
STRATA PLAN**

5.1 This Agreement and the covenants and obligations of Port Capital run with and bind the Property and the Option Area, and if Port Capital subdivides the Property by means of the Strata Plan such covenants and obligations shall:

- (a) continue to run with, bind and encumber that portion of the common property of the Strata Plan which contains the Option Area or any portion thereof; and
- (b) be automatically assumed by the Strata Corporation as the representative of the owners of the strata lots within the Strata Development,

at which time Port Capital will be absolutely released from any obligations or liabilities hereunder.

ARTICLE 6 FORM OF LEASE

6.1 If the Lease is entered into pursuant to this Agreement after the date, if any, on which Port Capital deposits the Strata Plan in the Land Title Office, then:

- (a) the Strata Corporation will be the "Owner" thereunder; and
- (b) any other consequential changes to the form, but not the substance, of the Lease will be made.

The parties also agree that if the Option Area or any part thereof does not correspond with a useable portion of any new development on the Property, then the Option and the Lease will apply to an area or portion of such new development which is generally equivalent in size, location and utility as the Option Area is shown to be as part of the Strata Development.

ARTICLE 7 NO DISCHARGE

7.1 Notwithstanding any rule of law or equity or any statutory provision to the contrary, unless and until the Lease is executed by the parties hereto, this Agreement will not be discharged or released from the title to the Property, the common property of the Strata Corporation or the title which results from the dissolution of the Strata Corporation or cancellation of the Strata Plan, and the parties hereto will neither execute any document in connection with such discharge or release nor make any application to any authority having jurisdiction for an order discharging or releasing this Agreement prior to the expiry of the period for exercise hereof set out in Section 2.1.

ARTICLE 8 FURTHER ASSURANCES

8.1 Each of the parties hereto will at all times and from time to time and upon reasonable request do, execute and deliver all further assurances, acts and documents for the purpose of evidencing and giving full force and effect to the covenants, agreements and provisions in this Agreement.

8.2 If any governmental approval is required for the entering into of the Lease, the Transferee will be responsible to pursue and obtain the same at its expense, but Port Capital will co-operate in signing any applications or consent required in connection therewith and will grant

any rights appurtenant to the Lease (such as, for example, any easement or other access rights to the Option Area) in such form as the Transferee, acting reasonably, or the governmental authority requires.

**ARTICLE 9
MISCELLANEOUS**

9.1 This Agreement will enure to the benefit of and be binding upon the successors and permitted assigns of the parties as applicable.

9.2 The Transferee shall have the right to assign this Agreement and its rights hereunder after obtaining consent from Port Capital, such consent to not be unreasonably withheld by Port Capital.

9.3 If any provision or a portion of this Agreement is found to be illegal or unenforceable, then such provision or portion will be severed from this Agreement and this Agreement will be deemed to be so amended and this Agreement will continue in full force and effect subject to only such amendment.

9.4 Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.




9.5 Any demand or notice which may be given under this Agreement shall be in writing and delivered or faxed addressed to the parties as follows:

To Port Capital:

328 West 2nd Avenue
Vancouver, B.C. V5Y 1C8

Attn: President
Fax: (604) 688-4110

To the Transferee:


Attn: 
Fax: ,

or at such other address as either party may specify in writing to the other. The time of giving and receiving any such notice shall be deemed to be on the day of delivery or transmittal.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the Form C attached hereto.

SCHEDULE "A"
SURVEY PLAN

[To be attached]

SCHEDULE "B"

PARKING LEASE

[See form attached as Exhibit I to this Disclosure Statement]

EXHIBIT K

C-2C District Schedule**1 Intent**

The intent of this Schedule is to provide for a wide range of goods and services, to maintain commercial activities and personal services that require central locations to serve larger neighbourhoods, districts or communities and to encourage creation of a pedestrian oriented district shopping area by increasing the residential component and limiting the amount of office use.

2 Outright Approval Uses

2.1 Subject to all other provisions of this By-law and to compliance with section 2.3 and the regulations of this Schedule, the uses listed in section 2.2 shall be permitted in this District and shall be issued a permit.

2.2 Uses

- 2.2.A**
- Accessory Buildings customarily ancillary to any of the uses listed in this Schedule, provided that:
 - (a) no accessory building exceeds 3.7 m in height measured to the highest point of the roof if a flat roof, to the deck line of a mansard roof, or to the mean height level between the eaves and the ridge of a gable, hip or gambrel roof, provided that no portion of an accessory building may exceed 4.6 m in height;
 - (b) all accessory buildings are located in the rear yard;
 - (c) the total floor area, measured to the extreme outer limits of the building, of all accessory buildings is not greater than 15 percent of the total area of the site;
 - (d) not applicable; [Maximum width]
 - (e) not applicable; [Proximity to residential dwelling]
 - (f) no accessory building obstructs the horizontal daylight access prescribed in this Schedule for residential use.
 - Accessory Uses customarily ancillary to any of the uses listed in this section, provided that unless permitted as an outright approval use pursuant to section 2 of this Schedule, the total floor area of all accessory uses is not greater than 25 percent of the gross floor area of the principal use.
- 2.2.C** [Cultural and Recreational]
- Arts and Culture Indoor Event.
- 2.2.R** [Retail]
- Grocery or Drug Store except for Small-scale Pharmacy.
 - Retail Store.
- 2.2.S** [Service]
- Barber Shop or Beauty Salon.
 - Beauty and Wellness Centre.
 - Laundromat or Dry Cleaning Establishment.
 - Photofinishing or Photography Studio.
 - Repair Shop - Class B.

2.3 Conditions of use

2.3.1 All commercial uses listed in this section shall be carried on wholly within a completely enclosed building except for the following:

- (a) parking and loading facilities;
- (b) display of flowers, plants, fruits and vegetables.

3 Conditional Approval Uses

3.1 Subject to all other provisions of this By-law, including section 3.3.3, and the provisions and regulations of this Schedule, the Development Permit Board may approve any of the uses listed in section 3.2, subject to the conditions of section 3.3, and including such other conditions as it may decide, provided that it first considers:

- (a) the intent of this Schedule and all applicable policies and guidelines adopted by Council;
- (b) the submission of any advisory group, property owner or tenant; and
- (c) the amount of open space, plazas and landscaping being provided and the impact of the development on the character of the community.

3.2 Uses

3.2.A • Accessory Uses to any of the uses listed in this Schedule, subject to the same provisions as section 2.2.A of this Schedule.

3.2.AG [Agricultural]

- Urban Farm - Class B, subject to the provisions of section 11.30 of this By-law.

3.2.C [Cultural and Recreational]

- Artist Studio, subject to the provisions of section 11.18 of this By-law.
- Billiard Hall.
- Bowling Alley.
- Club.
- Community Centre or Neighbourhood House.
- Fitness Centre.
- Hall.
- Library.
- Museum or Archives.
- Park or Playground.
- Rink.
- Swimming Pool.
- Theatre.
- Zoo or Botanical Garden.

3.2.D • Deposition or extraction of material so as to alter the configuration of the land.

3.2.DW [Dwelling]

- Dwelling Units in conjunction with any of the uses listed in this Schedule except that no portion of the first storey of a building to a depth of 10.7 m from the front wall of the building and extending across its full width shall be used for residential purposes except for entrances to the residential portion.

- Multiple Conversion Dwelling, resulting from the conversion of a building which was in existence prior to June 18, 1956, provided that:
 - (a) before making a decision the Development Permit Board shall consider the quality and livability of the resulting units, the suitability of the building for conversion in terms of age and size, and the effect of the conversion on adjacent properties and the character of the area;
 - (b) building additions shall not be permitted; and
 - (c) no housekeeping or sleeping units shall be created.
- Principal Dwelling Unit combined with a Lock-off Unit in conjunction with any of the uses listed in this schedule, except that no portion of the first storey of a building to a depth of 10.7 m from the front wall of the building and extending across its full width may be used for residential purposes unless the purpose is for entrances to the residential portion.
- Residential Unit associated with and forming an integral part of an artist studio, subject to the provisions of section 11.19 of this By-law.
- Seniors Supportive or Assisted Housing, subject to section 11.17 of this By-law.

3.2.I [Institutional]

- Ambulance Station.
- Child Day Care Facility.
- Church.
- Public Authority Use.
- School - Elementary or Secondary.
- School - University or College.
- Social Service Centre.
- Community Care Facility – Class B, subject to the provisions of section 11.17 of this By-law.
- Group Residence, subject to the provisions of section 11.17 of this By-law.

3.2.0 [Office]

- Office Uses.

3.2.R [Retail]

- Farmers' Market, subject to the provisions of Section 11.21 of this By-law. *Compatibility with nearby sites, parking, traffic, noise, hours of operation, size of facility, pedestrian amenity.*
- Furniture or Appliance Store.
- Gasoline Station - Full Serve, subject to the provisions of section 11.10 of this By-law.
- Gasoline Station - Split Island, subject to the provisions of section 11.10 of this By-law.
- Liquor Store.
- Medical Marijuana-related Use, subject to the provisions of section 11.28 of this By-law.
- Pawnshop.
- Public Bike Share.
- Secondhand Store.
- Small-scale Pharmacy, subject to the provisions of section 11.22 of this By-law.

3.2.S [Service]

- Animal Clinic.
- Auction Hall.
- Bed and Breakfast Accommodation, subject to the provisions of section 11.4 of this By-law.
- Catering Establishment.
- Neighbourhood Public House.

- Print Shop.
- Restaurant - Class 1.
- School - Arts or Self-Improvement.
- School - Business.
- School - Vocational or Trade.

3.2.U [Utility and Communication]

- Public Utility.
- Radiocommunication Station.
- Recycling Depot.

- 3.2.Z • Any other use which is not specifically listed and defined as a use in section 2 of this By-law but which the Development Permit Board considers comparable in nature to the uses listed in this Schedule, having regard to the intent of this District Schedule.

3.3 Conditions of Use

3.3.1 All commercial uses listed in this section shall be carried on wholly within a completely enclosed building, except for the following:

- (a) parking and loading facilities;
- (b) full serve and split island gasoline station, except that section 11.10.2 of this By-law continues to apply;
- (c) restaurant;
- (d) neighbourhood public house;
- (e) farmers' market;
- (f) public bike share; and
- (g) Urban Farm - Class B.

3.3.2 Residential uses only shall be permitted on the third floor of any building, except that this condition may be relaxed by the Development Permit Board where it is satisfied that residential use is inappropriate or impractical.

3.3.3 No general office except for entrances thereto shall be located within a depth of 10.7 m of the front wall of the building and extending across its full width on that portion of a storey having an elevation within 2.0 m of street grade on the fronting street except for an insurance, travel agency or real estate office. In the case of a site abutting more than one street, the fronting street is to be determined by the Director of Planning.

4 Regulations

All uses approved under sections 2 and 3 of this District Schedule shall be subject to the following regulations.

4.1 **Site Area** -- Not Applicable.

4.2 Frontage

The maximum frontage for any commercial use shall be 15.3 m.

4.3 Height

4.3.1 The maximum height of a building shall be 10.7 m except that in the case of a site fronting a street running east and west, no portion of a building shall extend above an envelope formed by a vertical line measuring 7.3 m in height at the north property line and a plane formed by an angle of 30 degrees measured from the horizontal and having its vertex at the maximum building height permitted at the north property line.

4.3.2 The Director of Planning or the Development Permit Board, as the case may be, may permit an increase in the maximum height of a building to a height not exceeding 13.8 m with respect to any development and may permit a building which exceeds the envelope provided he first considers:

- (a) the height, bulk, scale and location of the building and its effect on the site, surrounding buildings and streets, and existing views;
- (b) the amount of open space, including plazas, and the effects of overall design on the general amenity of the area;
- (c) the intent of this Schedule, all applicable policies and guidelines adopted by Council and the relationship of the development with nearby residential areas; and
- (d) the submission of any advisory group, property owner or tenant.

4.4 Front Yard and Setback

4.4.1 The depth of the front yard must be 0.6 m.

4.4.2 For any use listed in Section 2.2, a front setback shall only be permitted where a pedestrian or shopping courtyard or other features benefitting pedestrian character are provided, or where otherwise required by this By-law.

4.4.3 A setback of 1.2 m from the front property line shall be required for any parking area.

4.5 Side Yards and Setback

4.5.1 No side yard shall be required, except that where the site adjoins, without the intervention of a lane, a site located in an R district, the following side yard requirements apply:

- (a) where the adjoining site is in an RM district, a side yard with a minimum width of 1.5 m shall be provided adjoining the RM district;
- (b) in all other cases, a side yard with a minimum width of .9 m shall be provided, except in the case of a corner site in which case an exterior side yard need not be provided.

4.5.2 Where a side yard is provided, although not required, the minimum provisions of section 4.5.1 shall apply.

4.5.3 In the case of a corner site, a setback of 1.2 m from the side property line abutting the flanking street shall be required for any parking area.

4.6 Rear Yard and Setback

4.6.1 A rear yard with a minimum depth of 3.1 m shall be provided, except that where the rear of the site abuts a lane, this required minimum depth shall be decreased by the lane width between the rear property line and the ultimate centre line of the lane.

4.6.2 Where any portion of a building contains residential uses, that portion shall be set back a minimum of 7.6 m from the rear property line across the full width of the building, except that where the rear of the site abuts a lane, this required minimum setback shall be decreased by the lane width between the rear property line and the ultimate centre line of the lane.

4.7 Floor Space Ratio

4.7.1 The floor space ratio shall not exceed 1.20 in the case of office uses, 1.50 in the case of a site used for purely residential uses, and 3.00 in all other cases and, for this purpose an artist studio shall be deemed to be a dwelling use.

- 4.7.2 The following shall be included in the computation of floor space ratio:
- (a) all floors of all buildings including accessory buildings, both above and below ground level, to be measured to the extreme outer limits of the building.
- 4.7.3 The following shall be excluded in the computation of floor space ratio:
- (a) open residential balconies and any other appurtenances which, in the opinion of the Director of Planning, are similar to the foregoing, provided that the total area of all exclusions does not exceed eight percent of the residential floor area being provided;
 - (b) patios and roof gardens, for residential purposes only, provided that the Director of Planning first approves the design of sunroofs and walls;
 - (c) where floors are used for off-street parking and loading, the taking on or discharging of passengers, bicycle storage, heating and mechanical equipment, or uses which in the opinion of the Director of Planning are similar to the foregoing, those floors or portions thereof so used, which:
 - (i) are at or below the base surface, provided that the maximum exclusion for a parking space shall not exceed 7.3 m in length; or
 - (ii) are above the base surface and where developed as off-street parking are located in an accessory building situated in the rear yard, provided that the maximum exclusion for a parking space shall not exceed 7.3 m in length.
 - (d) amenity areas, including child day care facilities, recreation facilities and meeting rooms accessory to a residential use, to a maximum total area of 10 percent of the total permitted floor area; and
 - (e) all residential storage space above or below base surface, except that if the residential storage space above base surface exceeds 3.7 m² per dwelling unit, there will be no exclusion for any of the residential storage space above base surface for that unit.
- 4.7.4 The Director of Planning may permit the following to be excluded in the computation of floor space ratio:
- (a) enclosed residential balconies, provided that the Director of Planning first considers all applicable policies and guidelines adopted by Council and approves the design of any balcony enclosure, subject to the following:
 - (i) the total area of all open and enclosed balcony or sundeck exclusions does not exceed eight percent of the residential floor area being provided; and
 - (ii) no more than fifty percent of the excluded balcony floor area may be enclosed.
- 4.8 Site Coverage -- Not Applicable.**
- 4.9 [Deleted -- see Parking By-law.]**
- 4.10 Horizontal Angle of Daylight**
- 4.10.1 Each habitable room must have at least one window on an exterior wall of a building.
- 4.10.2 Each exterior window must be located so that a plane or planes extending from the window and formed by an angle of 50 degrees, or two angles with a sum of 70 degrees, will encounter no obstruction over a distance of 24.0 m.
- 4.10.3 The plane or planes referred to in section 4.10.2 must be measured horizontally from the centre of the bottom of each window.
- 4.10.4 The Director of Planning or Development Permit Board may relax the horizontal angle of daylight requirement, if:
- (a) the Director of Planning or Development Permit Board first considers all the applicable policies and guidelines adopted by Council; and
 - (b) the minimum distance of unobstructed view is not less than 3.7 m.

- 4.10.5 An obstruction referred to in section 4.10.2 means:
- (a) any part of the same building including permitted projections; or
 - (b) the largest building permitted under the zoning on any adjoining site.

- 4.10.6 A habitable room referred to in section 4.10.1 does not mean:
- (a) a bathroom; or
 - (b) a kitchen whose floor area is the lesser of:
 - (i) 10% or less of the total floor area of the dwelling unit, or
 - (ii) 9.3 m².

4.11 Dedication of Land for Lane Purposes

- 4.11.1 Where a site does not abut a lane, or abuts a lane which is less than 6.1 m in width, a portion of the site, as determined by the City Engineer, to a maximum of 3.1 m, shall be dedicated for lane purposes.
- 4.11.2 Where land is dedicated pursuant to section 4.11.1, it shall be deemed not to reduce the site area for the purpose of calculating floor space ratio.

5 Relaxation of regulations

- 5.1 The Development Permit Board or the Director of Planning, as the case may be, may relax the maximum height, floor area and location regulations for accessory buildings and accessory uses except that the relaxed height shall not, in any event, exceed the maximum prescribed in section 4.3.1 nor the floor space exceed 33⅓ percent of the gross floor area of the principal use.
- 5.2 The Development Permit Board or the Director of Planning, as the case may be, may relax the maximum frontage regulation in section 4.2 in any case where a pedestrian amenity area such as a courtyard or resting area is provided, or where pedestrian interest is otherwise maintained, and provided he first considers all applicable policies and guidelines adopted by Council.
- 5.3 The Development Permit Board or the Director of Planning, as the case may be, may relax the use conditions of sections 2.3.1 and 3.3.1 to permit the outdoor display of retail goods, and may include such other conditions as he deems necessary, having regard to the type of merchandise, the area and location of the display with respect to adjoining sites, the hours of operation and the intent of this Schedule.
- 5.4 Despite section 4.4.1, the Director of Planning or Development Permit Board, as the case may be, in the event of unnecessary hardship, may permit a reduced or increased front yard, having regard to the intent of this Schedule and all applicable policies and guidelines adopted by Council.