

**FIRST AMENDMENT TO RESTATED DISCLOSURE STATEMENT  
REAL ESTATE ACT OF BRITISH COLUMBIA  
DECEMBER 17, 1999**

*This document comprises the first amendment to the Restated Disclosure Statement dated October 7, 1999, being a replacement of the original Disclosure Statement dated June 17, 1997, with respect to an offering by Leeda 41 Developments Corp. for the sale of strata lots located at 3028-3050 West 41st Avenue, Vancouver, British Columbia and known as "The Croftons"*

---

**DEVELOPER:**

**Name:**

**LEEDA 41 DEVELOPMENTS CORP.  
(the "Developer")**

**Registered Office and Address for  
Service:**

1908 - 925 West Georgia Street  
Vancouver, British Columbia  
V6C 3L2

**Head Office and Mailing Address:**

102 - 1668 West Broadway  
Vancouver, British Columbia  
V6J 1X6

**AGENT FOR THE DEVELOPER:**

The Developer reserves the right to appoint an agent at a later date

---

**DISCLAIMER**

NEITHER THE SUPERINTENDENT OF REAL ESTATE NOR ANY OTHER AUTHORITY OF THE GOVERNMENT OF THE PROVINCE OF BRITISH COLUMBIA HAS IN ANY WAY PASSED ON THE MERITS OF THE MATTERS DEALT WITH IN THIS FIRST AMENDMENT TO THE RESTATED DISCLOSURE STATEMENT. THIS RESTATED DISCLOSURE STATEMENT HAS BEEN FILED WITH THE SUPERINTENDENT OF REAL ESTATE BUT HE HAS NOT DETERMINED WHETHER OR NOT IT COMPLIES WITH PART 2 OF THE REAL ESTATE ACT

## AMENDMENTS.

The original Restated Disclosure Statement is hereby amended as follows:

1. Reference in the Solicitor's Certificate attached to the original Restated Disclosure Statement and the Statutory Declaration attached to the original Restated Disclosure Statement, and to the form of Rental Disclosure Statement attached as Exhibit G to the original Restated Disclosure Statement, inadvertently made reference to the civic address of the Development as 3038 West 41<sup>st</sup> Avenue. Those references are hereby amended to read 3028 - 3050 West 41<sup>st</sup> Avenue.
2. The Occupancy Permit for the Development was issued under No. OC410544 by the City of Vancouver on November 30, 1999. The permit as it relates to the Commercial Strata Lots are for shell occupancy only.
3. The Strata Plans were filed for registration on December 3, 1999 and registration was fully effected on December 14, 1999. Accordingly, the actual legal description for the Strata Lots, other than the PID numbers, are as follows:

City of Vancouver

Strata Lots 1 to 17 Block 2 Section 321 New Westminster District Strata Plan LMS4060 together with an interest in the common property in proportion to the unit entitlement of the Strata Lots as shown on form 1

4. With respect to the Parking Stalls and Storage Areas respectively, the Developer has registered Options to Lease at the Vancouver/New Westminster Land Title Office under numbers BN322145 and BN322146. Copies of the two Options to Lease are attached as Exhibits "A" and "B" hereto. The Options were exercised by the optionholder, Athena Investments Ltd., and leases were entered into in the forms as attached to the Options to Lease. The optionholder does not at this point in time plan to register the leases and accordingly, the two Options to Lease will remain on title in accordance with their terms.
5. Section 6.1 - Construction Warranties is hereby amended by adding a fourth paragraph as follows:  
  
"Because the Building Permit for the Development was obtained prior to July 1, 1999, the new home warranty coverage as obtained by the Developer is not pursuant to any requirements of the Home Owner Protection Act (the "Act"), however, the Developer has voluntarily provided the new home warranty coverage through a warranty provider licensed under the Act and the said warranty offered is equivalent to that required by the Act."

## **CAUTION**

The Developer, directors of a corporate Developer, and any other person required by the Superintendent of Real Estate to sign this First Amendment to the Restated Disclosure Statement are advised to read the provisions of and be fully aware of their obligations under Part 2 of the Real Estate Act before signing the Statement, as a person who fails to comply with the requirements of Part 2 of the Real Estate Act may, on conviction, be liable:

- (i) in the case of a corporation, to a fine of not more than \$100,000; and
- (ii) in the case of an individual, to either a fine of not more than \$100,000 or to imprisonment for not more than five years less one day.

## DECLARATION

The foregoing declarations constitute full, true and plain disclosure of all material facts relating to the Development referred to above, proposed to be sold, as required by the Real Estate Act of the Province of British Columbia as of the 17 day of December, 1999.

### DEVELOPER

LEEDA 41 DEVELOPMENTS CORP.

Per: 

EDWIN LEE

THE SOLE DIRECTOR OF LEEDA 41 DEVELOPMENTS CORP.

  
EDWIN LEE

## SOLICITOR'S CERTIFICATE

IN THE MATTER OF the Real Estate Act and the )  
First Amendment to the Restated Disclosure )  
Statement for property within the City of )  
Vancouver at 3028 - 3050 West 41st Avenue and )  
legally described as: )

City of Vancouver )  
Strata Lots 1 to 17 )  
Block 2 )  
Section 321 )  
New Westminster District )  
Strata Plan LMS4060 )

I, Carol A. Lee, Solicitor, a member of the Law Society of British Columbia, HEREBY CERTIFY that I have read over the above described First Amendment to the Restated Disclosure Statement dated December 17, 1999, made any required investigations in public offices, and have reviewed same with the Developer therein named, and that the facts contained in sections 3 and 4 of the said First Amendment to the original Restated Disclosure Statement are correct.

DATED at Vancouver, in British Columbia, this 17<sup>th</sup> day of December, 1999.

CAROL A. LEE





IN THE MATTER OF the Real Estate Act and the  
First Amendment to the Restated Disclosure  
Statement for property within the City of  
Vancouver at 3028 - 3050 West 41st Avenue and  
legally described as:

I, Edwin Lee, of Vancouver, British Columbia, do solemnly declare:

1. THAT I am the sole director of Leeda 41 Developments Corp., the Developer referred to in the above described First Amendment to the Restated Disclosure Statement dated December 17, 1999.
2. THAT every matter of fact stated in the said First Amendment to the Restated Disclosure Statement is true.
3. THAT a true copy of the First Amendment to the Restated Disclosure Statement will be delivered to each prospective purchaser or lessee.
4. AND I make this solemn declaration, conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath.

**SWORN BEFORE ME at the City of  
Vancouver, in the Province of British  
Columbia, this 17th day of December, 1999.**

  
A Commissioner for taking Affidavits  
for British Columbia

  
EDWIN LEE

**CAROL A. LEE**  
BARRISTER & SOLICITOR  
**PAROLIN & COMPANY**  
1500 CATHEDRAL PLACE - 925 W. GEORGIA ST.  
VANCOUVER, B.C. V6C 3L2  
(604) 688-1133

## **EXHIBITS TO THIS FIRST AMENDMENT TO RESTATED DISCLOSURE STATEMENT**

**A. Option to Lease re: Parking Stalls**

**B. Option to Lease re: Storage Areas**

## LAND TITLE ACT

## FORM C

(Section 239.81)

99 DEC -3 10 46

BN322145

Exhibit "A"

Option to Lease

BN322145

Province of  
British Columbia

## GENERAL INSTRUMENT - PART 1 (This area for Land Title Office use)

PAGE 1 of 17 pages

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

PAROLIN &amp; COMPANY

AGENTIS CLIENT NO. 11061

Barristers &amp; Solicitors

Suite 1908 - 925 West Georgia Street, Vancouver, B.C.

V6C 3L2 Tel: (604) 688-1133

File Ref. No: 1558-001

Carol A. Lee, Solicitor

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

(PID)

(LEGAL DESCRIPTION)

023-802-367

Lot P Block 2 District Lot 321 New Westminster District Plan LMP33612

## 3. NATURE OF INTEREST: \*

DESCRIPTION

DOCUMENT REFERENCE

02 99/12/03 10:46:40 01 NW 182567  
CHARGE PERSON ENTITLED TO INTEREST \$50.00

(as PB with dark outline (page and paragraph))

Option to Lease over parts shown Entire Instrument

Transferee

on Explanatory Plan LMP 44242

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

(a) Filed Standard Charge Terms ☐

D.F. No.

(b) Express Charge Terms ☒

Annexed as Part 2

(c) Release ☐

There is no Part 2 of this instrument

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

## 5. TRANSFEROR(S):\*

LEEDA 41 DEVELOPMENTS CORP. (Incorporation No. 522327)

## 6. TRANSFEREE(S): (Including occupation(s), postal address(es) and postal code(s))\*

ATHENA INVESTMENTS LTD. (Incorporation No. 471470), having its registered and records office at Suite 102 - 1668 West Broadway, Vancouver, B.C. V6J 1X6

## 7. ADDITIONAL OR MODIFIED TERMS:\*

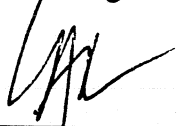
N/A

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

Officer Signature(s)

Execution Date

Party(ies) Signature(s)



Y	M	D
99	11	30

LEEDA 41 DEVELOPMENTS CORP.  
by its authorized signatory:



EDWIN LEE

CAROL A. LEE

BARRISTER &amp; SOLICITOR

PAROLIN &amp; COMPANY

1908 CATHEDRAL PLACE - 925 W. GEORGIA ST.

VANCOUVER, B.C. V6C 3L2

(604) 688-1133

## OFFICER CERTIFICATION:

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

\* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

\*\* If space insufficient, continue executions on additional page(s) in Form D.

W

1908 Cathedral Place  
925 W. Georgia St  
Van. BC. V6C 3L2

EDWIN LEE

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

OPTION TO LEASE

## WHEREAS:

- A. It is understood and agreed that this Agreement shall be read as follows:
- (a) the Transferor, LEEDA 41 DEVELOPMENTS CORP., is called the "Company"; and
  - (b) the Transferee, ATHENA INVESTMENTS LTD., is called the "Tenant";
- B. The Company is the registered owner in fee simple of the lands and premises situated in Vancouver, British Columbia, and legally described as:
- Parcel Identifier: 023-802-367  
Lot P, Block 2, District Lot 321  
New Westminster District  
Plan LMP33612
- (the "Property")
- C. The Company has agreed to grant the Tenant an option to lease the parking stalls (the "Stalls") located on that portion of the Property shown as PB with dark outline (the "Option Area") on the Explanatory Plan certified correct by Richard Fu, British Columbia Land Surveyor on October 4, 1999, a reduced size copy of which is attached hereto as Schedule "A", on the terms and conditions sets out in this Agreement;
- D. Upon completion of the development of the Property, the Company intends to subdivide the Property by means of a strata plan (the "Strata Plan") pursuant to the *Condominium Act* (British Columbia) to create a strata development (the "Strata Development");
- E. If the Company subdivides the Property by means of the 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 appropriate Land Title Office; and
- F. Each of the parties to this Agreement agree that if the Company proceeds to subdivide the Property by means of the Strata Plan the common property of the Strata Corporation which is created after execution and delivery of this Agreement will be encumbered by this Agreement.

NOW THEREFORE in consideration of the matters referred to in the foregoing recitals, the covenants and agreements herein contained, the sum of \$1.00 now paid by the Tenant to the Company and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged and agreed to by the parties), the parties hereto hereby covenant and agree as follows:

1. Grant of Option

The Company hereby grants to the Tenant an exclusive and irrevocable option to lease (the "Option") the Option Area on the terms as set out in the lease (the "Lease") attached hereto as Schedule "B".

2. Option Period

The Option is open for exercise by the Tenant at any time from the date of this Agreement (the "Commencement Date") until the earlier of:

- (a) the date the Strata Corporation is dissolved; and
- (b) the date the Strata Corporation files a notice of destruction in prescribed form with the Registrar of the appropriate Land Title Office following the destruction or deemed destruction of the building in which the Stalls are located.

3. Exercise of Option

At any time before the Option is terminated, the Tenant may exercise the Option by giving to the Company written notice of the exercise of the Option, which notice shall clearly identify this Agreement and shall be unequivocal and unconditional.

4. Execution of the Lease

- (a) If the Option is exercised by the Tenant in the manner provided herein, the Tenant will prepare the Lease at its sole cost and deliver the same to the Company within seven (7) days after the date the notice referred to in Section 3 was given. The Company will execute and deliver the Lease to the Tenant within seven (7) days after the date of delivery by the Tenant.
- (b) If the Lease which is prepared, executed and delivered pursuant to subsection 4(a) is not in registrable form, the Tenant may at its option at any time after the Lease is executed by the Company pursuant to subsection 4(a), at the Tenant's sole cost, prepare and deliver a registrable form of the Lease to the Company. In such event, the Company will execute and deliver to the Tenant the registrable form of the Lease within seven (7) days after the Tenant delivers the same to the Company. The Tenant may (but will not be obligated) at any time thereafter register the Lease in the appropriate Land Title Office. The Tenant will be solely responsible for preparing any registrable plan depicting the Stalls that is required for registration of the Lease, and for all costs, relating to the registration of the Lease and such plan.

5. Assignment by Tenant

Subject to Section 6, the Tenant will not assign or dispose of its interest under this Agreement without first obtaining the Company's written consent, which consent may be arbitrarily withheld.

6. Strata Plan

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

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

at which time the Company will be absolutely released from any obligations or liabilities hereunder.

7. Form of Lease

If the Lease is entered into after the date, if any, on which the Company deposits the Strata Plan in the Land Title Office, then

- (a) the Strata Corporation will be the "Owner" thereunder;
- (b) Section 2.01 of the Lease will be deleted; and
- (c) any other consequential changes to the form, but not the substance, of the Lease will be made.

8. No Discharge

Notwithstanding any rule of law or equity or any statutory provision to the contrary, unless and until the Lease is filed for registration in the applicable Land Title Office, this Agreement and the Option will not be discharged or released from the title to the Property 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 and the Option prior to the expiry of the term of the Option set out in Section 2.

9. Further Assurances

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.

10. Notices

Any demand or notice which may be given pursuant to this Agreement will be in writing and delivered or sent by posted pre-paid mail and addressed to the parties as follows:

To the Company:  
Leeda 41 Developments Corp.  
Suite 102 - 1668 West Broadway  
Vancouver, B.C. V6J 1X6

To the Tenant:  
Athena Investments Ltd.  
Suite 102 - 1668 West Broadway  
Vancouver, B.C. V6J 1X6

or at such other address as either party may specify in writing to the other from time to time. The time of giving and receiving any such notice will be deemed to be on the day of delivery or on the fifth business day of mailing thereof if sent by mail. In the event of any disruption of mail services, all notices will be delivered rather than mailed.

11. Binding effect

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

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



Deposited and registered in the Land  
Title Office at New Westminster, BC  
this       day of       , 1999.

**Registrar**

A horizontal scale bar with tick marks and labels: 2m, 1, 0m, 5, and 10m.

**This plan lies within the Greater Vancouver Regional District**

Richard B.C.L.S.

**Schedule "B"**

**PARKING STALL LEASE**

THIS LEASE made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

BETWEEN:

LEEDA 41 DEVELOPMENTS CORP., of 102 - 1668 West Broadway,  
Vancouver, B.C. V6J 1X6

(the "Owner")

AND:

ATHENA INVESTMENTS LTD., of 102 - 1668 West Broadway,  
Vancouver, B.C. V6J 1X6

(the "Tenant")

WITNESSES THAT WHEREAS:

A. The Owner is the registered owner of certain lands and premises located in Vancouver, British Columbia, and legally described as:

Parcel Identifier 023-802-367  
Lot P  
Block 2  
District Lot 321  
New Westminster District  
Plan LMP33612

(the "Lands")

B. The Owner has agreed to grant to the Tenant a lease to use those certain parking stalls (the "Stalls") shown as PB with dark outline on the explanatory plan certified correct by Richard Fu on October 4, 1999, a reduced size copy of which is attached hereto as Schedule A and located in the underground parking facility within the residential/commercial retail development (the "Strata Development") developed on the Lands, 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.

C. After entering into this Lease, the Owner proposes to deposit a strata plan (the "Strata Plan") in the New Westminster/Vancouver Land Title Office (the "Land Title Office") pursuant to the *Condominium Act* (British Columbia) to create the Strata Development.

D. The Strata Plan will designate the Stalls as common property (the "Common Property") of the strata corporation (the "Strata Corporation") formed upon the deposit for registration of the Strata Plan in the Land Title Office.

E. Each of the parties to this Lease agrees that the Common Property to be created upon depositing the Strata Plan in the Land Title Office is intended to be subject to and will be encumbered by this Lease.

NOW THEREFORE in consideration of the premises and the sum of \$10.00 of lawful money of Canada now paid by the Tenant to the Owner, the receipt and sufficiency of which is hereby acknowledged by the Owner, and in consideration of the mutual promises and agreements set forth in this Lease, the parties agree each with the other as follows:

## **ARTICLE 1** **GRANT AND TERM**

**1.01      Grant.** The Owner hereby leases to the Tenant for the Term (as defined in section 1.02) all of the Stalls, subject to the provisions of this Lease.

**1.02      Term.** The term (the "Term") of this Lease shall commence on the earlier of the date (the "Commencement Date") an occupancy certificate is issued for the building on the Lands and the date that the Strata Corporation is created, and terminate on the earlier date of:

- (a) the date the Strata Corporation is dissolved;
- (b) the date the Strata Corporation files a notice of destruction in the prescribed form with the Registrar of the Land Title Office following the destruction or deemed destruction of the buildings in which the Stalls are located;
- (c) the 999<sup>th</sup> anniversary of the Commencement Date; and
- (d) the date this Lease is superseded pursuant to section 7.03.

For the purposes of this provision, the amalgamation of the Strata Corporation with another strata corporation will not be considered a dissolution of the Strata Corporation.

**1.03      Rent.** The parties to this Lease acknowledge that the sum of \$10.00 now paid by the Tenant to the Owner will be the only payment required to be paid to the Owner by either the Tenant or any assignee of a partial assignment under this Lease for the use and enjoyment of a Stall.

## **ARTICLE 2** **SUBDIVISION BY STRATA PLAN**

**2.01      Strata Plan.** This Lease and the covenants and obligations of Owner under this Lease run with and bind the Lands, and upon the subdivision of the Lands by means of the Strata Plan, such covenants and obligations shall:

- (a) continue to run with and bind the subdivided parcel or part thereof which contains the Parking Stalls; and
- (b) be automatically assumed by the Strata Corporation as the representative of the owners of strata lots created by deposit for registration of the Strata Plan in the land title office,

at which time Owner will be automatically and absolutely released from any obligations or liabilities thereunder.

**2.02      Common Property.** This Lease is intended to burden only that portion of the Lands which will become common property of the Strata Corporation upon the deposit for registration of the Strata Plan in the land title office and not to burden any strata lot shown on the Strata Plan, provided however that the Ingress and Egress Areas as defined in section 4.01, are and remain common property of the Strata Corporation.

## **ARTICLE 3** **USE**

**3.01      Use.** The Tenant will be free in addition to the right of partial assignment as set out below, to use any one or more of the Stalls within operation by the Tenant as a commercial paid parking facility,

open to the general public, including the guests, owners, tenants and customers of the Strata Lots designated as commercial strata lots, on an hourly, daily and monthly basis, with the proceeds therefrom being retained by the Tenant. The licence referred to in section 4.01 extends to members of the general public in such operation. The Tenant shall at all times have the express or implied permission and licence of the Owner to operate and maintain a parkade meter and or kiosk over such portion of the Common Property as is reasonably required by the Tenant to operate the foregoing.

#### **ARTICLE 4** **INGRESS AND EGRESS LICENCE**

**4.01** The Owner agrees that the Tenant, its successors and permitted assigns, and members of the general public where herein contemplated, shall at all times have the express or implied permission and licence of the Owner to full ingress and egress, upon registration of the Strata Plan, over the portions of the Common Property and Lands as may be necessary in order to access and use the Stalls as to vehicular and pedestrian requirements, including without limitation those areas designated as roadways, stairways, elevators or walkways (the "Ingress and Egress Areas"). In furtherance of such licence the Owner will at all times provide Tenant in its capacity as the Tenant of the Stalls, with any means of access to any security devices as necessary to enable the Tenant and subsequent assignees to use and enjoy the Parking Stalls.

#### **ARTICLE 5** **MAINTENANCE AND ENCUMBRANCES**

**5.01** **Maintenance.** The Owner confirms that until the deposit for registration of the Strata Plan, the Owner shall be solely responsible for the control, management and administration of the Parking Stalls but thereafter, pursuant to section 2.01 of this Lease, the Strata Corporation will assume full responsibility for the control, management and administration of the Parking Stalls as Common Property in accordance with the provisions of the *Condominium Act* (British Columbia) and may pass bylaws or make rules and regulations with respect to the Parking Stalls 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, are of general application to all Stalls and all users of such Stalls, are fairly and uniformly enforced with respect to all Stalls and all users of such Stalls and do not interfere with the Tenant's or any subsequent assignee's right of continuous uninterrupted access to the Parking Stalls or a part thereof during the Term.

**5.02** **Alterations.** The Tenant, its successors and permitted assigns, are not entitled to alter or to perform any repairs of any sort whatsoever to the Parking Stalls. Any such alterations or repairs are the sole responsibility of the Owner prior to the deposit of the Strata Plan, and thereafter of the Strata Corporation.

**5.03** **Subordination.** The Tenant agrees to subordinate its interest pursuant to this Lease to any financial encumbrance registered by the Owner against the Lands provided the holder of the encumbrance agrees to recognize and not foreclose the Tenant's interest hereunder as long as the Tenant is not in default hereunder.

**5.04** **No Right to Encumber.** The Tenant, its successors and permitted assigns, are not entitled to mortgage, charge, pledge or otherwise grant their interest in any Stall as security to any person.

#### **ARTICLE 6** **ASSIGNMENT**

**6.01** **Partial Assignments.** The Tenant may partially assign this Lease and its rights under this Lease pertaining to particular Stalls to purchasers of Strata Lots or to the Strata Corporation. Any such assignment will be for such consideration as the Tenant may in its sole discretion determine, which consideration may be retained by the Tenant for its own benefit. Any partial assignment by the Tenant, or by any subsequent assignee, of this Lease and its rights under this Lease pertaining to a particular Stall:

- (a) will be absolute, and the assignee and its guests, lessees, successors and permitted assigns will be entitled to the use and enjoyment of the Stall 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 unless the assignment is to the Strata Corporation or back to the Tenant;
- (c) may only be reassigned to an owner or purchaser of a Strata Lot, the Strata Corporation, or back to the Tenant if the assignor is a person other than the Tenant; and
- (d) will not be effective until written notice of such assignment (together with a copy of such assignment if available) is delivered by the assignee to the Strata Corporation, subject to section 6.02 of this Lease.

**6.02      Automatic Assignment.** If a holder of an interest in a Stall transfers all of his or her interest in a Strata Lot to which such Stall is at such time appurtenant as shown on the register maintained under section 6.07, without concurrently executing an assignment of such Stall to another owner or purchaser of a Strata Lot, then the interest of such holder in such Stall (including the Tenant) will be deemed to have been automatically assigned to and assumed by the purchaser of such Strata Lot without execution of a partial assignment of this Lease with respect to such Stall or delivery of notice of such partial assignment to the Strata Corporation.

**6.03      Exchanges and Transfers.**

- (a) A holder of an interest (the "First Owner" in this subsection) in a Stall (the "First Stall") may exchange his or her interest in the First Stall with the holder (including the Tenant) of an interest (the "Second Owner") in this subsection) in a different stall (the "Second Stall") 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, and the Second Owner partially assigning this Lease to the First Owner in respect of the Second Stall. The First Owner and the Second Owner will each execute a partial assignment of this Lease in favour of the other substantially in the form attached hereto as Schedule B. The exchange will be on the terms set out in subsections 6.01(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 6.02 will not apply to exchanges under this subsection 6.03(a).
- (b) A holder of an interest (the "First Owner" in this subsection) in a Stall may transfer his or her interest in such Stall to an owner of a strata lot within the Strata Development, the Tenant or the Strata Corporation (the "Second Owner" in this subsection) for such consideration as the First Owner may in his or her discretion determine. 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 in favour of the Second Owner substantially in the form attached hereto as Schedule B. The transfer will be on the terms set out in subsections 6.01(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 6.02 will not apply to transfers under this subsection 6.03(b).

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

**6.05 Form of Partial Assignments.** Subject to section 6.02, all partial assignments of this Lease shall be substantially in the form attached hereto as Schedule B.

**6.06 Release of Assignors.** Upon the partial assignment (including an automatic assignment pursuant to section 6.02) of this Lease pertaining to a particular Stall, the Tenant and any subsequent assignor of an interest in such Stall will be automatically and absolutely released from any obligations or liabilities under this Lease pertaining to such Stall.

**6.07 Register of Partial Assignments.** The Owner will maintain a register of all Stalls and will record on such register each partial assignment of this Lease, indicating:

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

Upon request by any owner or prospective purchaser of a Strata Lot, the Strata Corporation will provide a certificate, within 7 days of receipt of such request, certifying the name and address of the owner to whom a particular Stall is assigned and the number of the Strata Lot to which such Stall is at the time appurtenant. The Strata Corporation may require a fee of not more than \$10.00, or a greater amount reasonably prescribed by the Strata Corporation, from the person requesting such certificate. Upon the Strata Corporation becoming aware of a partial assignment pertaining to a particular Stall under section 6.01 or 6.02, the Strata Corporation will amend the register accordingly.

## **ARTICLE 7**

### **MISCELLANEOUS**

**7.01 Signs.** The Tenant will be permitted to install signs on the exterior or interior of the underground parking facility on the condition that the signs have received any approvals required from the City of Vancouver and are in keeping with the overall presentation of the Strata Development in terms of quality, design and colour. All such signs shall be installed and maintained at the sole expense and risk of the Tenant and the Tenant shall take out and maintain insurance for such signage as a reasonable tenant displaying such signage would obtain.

**7.02 No Registration.** No partial assignment of this Lease shall be registrable by either party in any Land Title Office.

**7.03 Supersession of Lease.** If the Strata Corporation deems it appropriate, it may by special resolution supersede this Lease and grant to all persons shown then as assignees in the Strata Corporation's register of partial assignments maintained pursuant to section 6.07 above, the exclusive right to use their respective Stalls which are substantially similar to the rights granted to such persons through partial assignments of this Lease, provided that the Strata Corporation may not do so unless and until the Tenant has partially assigned this Lease in respect of all of the Stalls.

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

**7.05 Definitions.** Any term defined in the recitals to this Lease will have the same meaning throughout this Lease unless otherwise redefined.

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

IN WITNESS WHEREOF the parties hereto have executed this Lease by their respective duly authorized officers.

THE COMMON SEAL OF LEEDA 41  
DEVELOPMENTS CORP. was hereunto affixed )  
in the presence of: )  
)  
)  
)

c/s

\_\_\_\_\_  
Title: )

THE COMMON SEAL OF ATHENA  
INVESTMENTS LTD. was hereunto affixed in )  
the presence of: )  
)  
)  
)

c/s

\_\_\_\_\_  
Title:

**SCHEDULE A**

**THE CROFTONS**

**PARKING STALL LAYOUT ATTACHED**

**NOTE: Each individual Stall is as marked  
on the ground within the Parking Stalls area.**



EXPLANATORY PLAN OF LEASEHOLD AREAS OVER  
PORTIONS OF PARKING LEVEL OF A 2 STOREY  
BUILDING SITUATED ON LOT P OF LOT 6 AND 7,  
BLOCK 1 TO 3, DISTRICT LOT 321,  
NEW WESTMINSTER DISTRICT, PLAN LMP33612

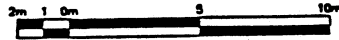
PLAN LMP

Deposited and registered in the Land  
Title Office at New Westminster, BC  
this day of , 1999.

Registrar

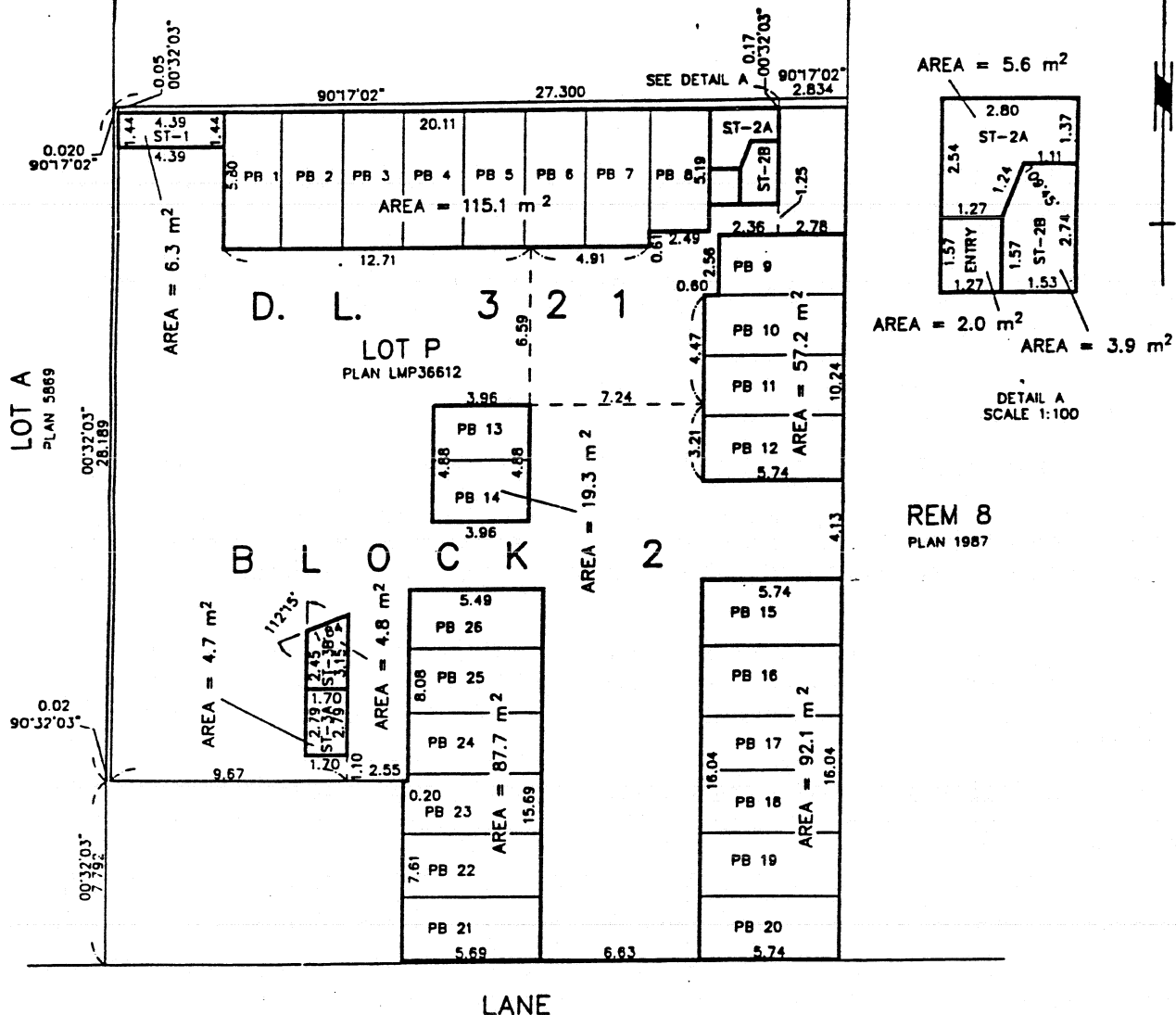
BCGS 92G.034

SCALE 1:200



This plan lies within the Greater Vancouver Regional District

WEST 41st AVENUE

**LEGEND:**

Bearings are Grid bearings and are derived from Plan LMP33612  
All angles are 45° or 90° unless otherwise noted.  
ST denotes storage  
PA denotes parking area  
PB denotes parking bay

Certified correct according to Land Title  
Office records.  
Dated this 4th day of October, 1999.

**SCHEDULE B**  
**THE CROFTONS**  
**PARKING STALL ASSIGNMENT**

BETWEEN: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, (the "Assignor")

AND: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, (the "Assignee")

RE: Parking stall(s) no(s). \_\_\_\_\_ (the "Stall(s)") in \_\_\_\_\_  
(the "Development")

WHEREAS the Assignor is the lessee of the Stall(s) and the Assignee is either [NAME OF STRATA CORPORATION] (the "Strata Corporation") or the registered Owner or purchaser of strata lot \_\_\_\_ (the "Strata Lot") in the Development.

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

1. **Assignment.** The Assignor hereby assigns to the Assignee its partial interest in the lease (the "Lease") dated the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ made between Leeda 41 Developments Corp. as the Owner, and Athena Investments Ltd., as Tenant, pertaining to the right to use the Stall(s) for the balance of the Term (as defined in the Lease). Subject to section 6.02 of the Lease, this Assignment will not be effective until the Assignee has given a copy of this Assignment to the Strata Corporation.
2. **Assignment Contingent Upon Strata Lot Ownership.** Unless the Assignee is the Strata Corporation or Athena Investments Ltd., the Assignee, its successors, permitted assigns, heirs, executors or administrators shall only be entitled to the rights with respect to the Stall(s) for as long as the Assignee owns the Strata Lot.
3. **Compliance.** The Assignee agrees to use the Stall(s) 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.
4. **Sale or Disposition.** The Assignee may only assign its rights under this Assignment and may only allow anyone else to use the Stall(s) in the circumstances permitted by the Lease.
5. **Acknowledgement.** The Assignee acknowledges having received a copy of the Lease and agrees to be fully bound by its terms insofar as it is applicable to the Stall(s).

6. **Enurement.** This Assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

The parties have executed this Assignment effective as of the \_\_\_\_ day of \_\_\_\_\_,

\_\_\_\_\_  
Assignor

\_\_\_\_\_  
Assignee

**END OF DOCUMENT**

LAND TITLE ACT  
FORM C  
(Section 219.81)

99 DEC -3

10 46

BN322146

Exhibit "B"  
Option to Lease  
BN322146

Province of  
British Columbia

GENERAL INSTRUMENT - PART 1 (This area for Land Title Office use)

PAGE 1 of 17 pages

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

PAROLIN & COMPANY

AGENTIS CLIENT NO. 11061

Barristers & Solicitors

Suite 1908 - 925 West Georgia Street, Vancouver, B.C.

V6C 3L2 Tel: (604) 688-1133

File Ref. No: 1558-001

Carol A. Lee, Solicitor

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

(PID)

023-802-367

(LEGAL DESCRIPTION)

Lot P Block 2 District Lot 321 New Westminster District Plan LMP33612

3. NATURE OF INTEREST: \*

DESCRIPTION

DOCUMENT REFERENCE

PERSON ENTITLED TO INTEREST

(as ST with dark outline) (page and paragraph)  
Option to Lease over parts shown ^ Entire Instrument  
on Explanatory Plan LMP 44242

Transferee

02 99/12/03 10:46:50 01 MW 182567  
CHARGE 555.00

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

(a) Filed Standard Charge Terms ☐

D.F. No.

(b) Express Charge Terms ☒

Annexed as Part 2

(c) Release ☐

There is no Part 2 of this instrument

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

5. TRANSFEROR(S):\*

LEEDA 41 DEVELOPMENTS CORP. (Incorporation No. 522327)

6. TRANSFEREE(S): (Including occupation(s), postal address(es) and postal code(s))\*

ATHENA INVESTMENTS LTD. (Incorporation No. 471470), having its registered and records office at Suite 102 - 1668 West Broadway, Vancouver, B.C. V6J 1X6

7. ADDITIONAL OR MODIFIED TERMS:\*

N/A

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

Officer Signature(s)

Execution Date

Party(ies) Signature(s)



Y	M	D
99	11	30

LEEDA 41 DEVELOPMENTS CORP.  
by its authorized signatory:



EDWIN LEE

CAROL A. LEE

BARRISTER & SOLICITOR

PAROLIN & COMPANY

1908 CATHEDRAL PLACE - 925 W. GEORGIA ST.

VANCOUVER, B.C. V6C 3L2

(604) 688-1133

OFFICER CERTIFICATION:

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

\* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

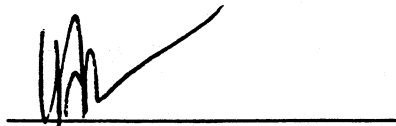
\*\* If space insufficient, continue executions on additional page(s) in Form D.

15

EXECUTIONS CONTINUED

Page 2 of 17 pages

Officer Signature(s)

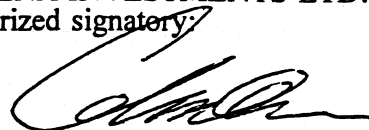


**CAROL A. LEE**  
BARRISTER & SOLICITOR  
PAROLIN & COMPANY  
1908 CATHEDRAL PLACE - 925 W. GEORGIA ST.  
VANCOUVER, B.C. V6C 3L2  
(604) 688-1133

Execution Date

Y	M	D
99	11	30

ATHENA INVESTMENTS LTD. by its  
authorized signatory



EDWIN LEE

**OFFICER CERTIFICATION:**

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

OPTION TO LEASE

WHEREAS:

A. It is understood and agreed that this Agreement shall be read as follows:

- (a) the Transferor, LEEDA 41 DEVELOPMENTS CORP., is called the "Company"; and
- (b) the Transferee, ATHENA INVESTMENTS LTD., is called the "Tenant";

B. The Company is the registered owner in fee simple of the lands and premises situated in Vancouver, British Columbia, and legally described as:

Parcel Identifier: 023-802-367  
Lot P, Block 2, District Lot 321  
New Westminster District  
Plan LMP33612

(the "Property")

- C. The Company has agreed to grant the Tenant an option to lease the storage areas (the "Storage Areas") located on that portion of the Property shown as ST with dark outline (the "Option Area") on the Explanatory Plan certified correct by Richard Fu, British Columbia Land Surveyor on October 4, 1999, a reduced size copy of which is attached hereto as Schedule "A", on the terms and conditions sets out in this Agreement;
- D. Upon completion of the development of the Property, the Company intends to subdivide the Property by means of a strata plan (the "Strata Plan") pursuant to the *Condominium Act* (British Columbia) to create a strata development (the "Strata Development");
- E. If the Company subdivides the Property by means of the 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 appropriate Land Title Office; and
- F. Each of the parties to this Agreement agree that if the Company proceeds to subdivide the Property by means of the Strata Plan the common property of the Strata Corporation which is created after execution and delivery of this Agreement will be encumbered by this Agreement.

NOW THEREFORE in consideration of the matters referred to in the foregoing recitals, the covenants and agreements herein contained, the sum of \$1.00 now paid by the Tenant to the Company and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged and agreed to by the parties), the parties hereto hereby covenant and agree as follows:

1. Grant of Option

The Company hereby grants to the Tenant an exclusive and irrevocable option to lease (the "Option") the Option Area on the terms as set out in the lease (the "Lease") attached hereto as Schedule "B".

2. Option Period

The Option is open for exercise by the Tenant at any time from the date of this Agreement (the "Commencement Date") until the earlier of:

- (a) the date the Strata Corporation is dissolved; and
- (b) the date the Strata Corporation files a notice of destruction in prescribed form with the Registrar of the appropriate Land Title Office following the destruction or deemed destruction of the building in which the Storage Areas are located.

3. Exercise of Option

At any time before the Option is terminated, the Tenant may exercise the Option by giving to the Company written notice of the exercise of the Option, which notice shall clearly identify this Agreement and shall be unequivocal and unconditional.

4. Execution of the Lease

- (a) If the Option is exercised by the Tenant in the manner provided herein, the Tenant will prepare the Lease at its sole cost and deliver the same to the Company within seven (7) days after the date the notice referred to in Section 3 was given. The Company will execute and deliver the Lease to the Tenant within seven (7) days after the date of delivery by the Tenant.
- (b) If the Lease which is prepared, executed and delivered pursuant to subsection 4(a) is not in registrable form, the Tenant may at its option at any time after the Lease is executed by the Company pursuant to subsection 4(a), at the Tenant's sole cost, prepare and deliver a registrable form of the Lease to the Company. In such event, the Company will execute and deliver to the Tenant the registrable form of the Lease within seven (7) days after the Tenant delivers the same to the Company. The Tenant may (but will not be obligated) at any time thereafter register the Lease in the appropriate Land Title Office. The Tenant will be solely responsible for preparing any registrable plan depicting the Storage Areas that are required for registration of the Lease, and for all costs, relating to the registration of the Lease and such plan.

5. Assignment by Tenant

Subject to Section 6, the Tenant will not assign or dispose of its interest under this Agreement without first obtaining the Company's written consent, which consent may be arbitrarily withheld.

6. Strata Plan

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

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

at which time the Company will be absolutely released from any obligations or liabilities hereunder.

7. Form of Lease

If the Lease is entered into after the date, if any, on which the Company deposits the Strata Plan in the Land Title Office, then

- (a) the Strata Corporation will be the "Owner" thereunder;
- (b) Section 2.01 of the Lease will be deleted; and
- (c) any other consequential changes to the form, but not the substance, of the Lease will be made.

8. No Discharge

Notwithstanding any rule of law or equity or any statutory provision to the contrary, unless and until the Lease is filed for registration in the applicable Land Title Office, this Agreement and the Option will not be discharged or released from the title to the Property 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 and the Option prior to the expiry of the term of the Option set out in Section 2.

9. Further Assurances

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.

10. Notices

Any demand or notice which may be given pursuant to this Agreement will be in writing and delivered or sent by posted pre-paid mail and addressed to the parties as follows:

To the Company:  
Leeda 41 Developments Corp.  
Suite 102 - 1668 West Broadway  
Vancouver, B.C. V6J 1X6



To the Tenant:  
Athena Investments Ltd.  
Suite 102 - 1668 West Broadway  
Vancouver, B.C. V6J 1X6

or at such other address as either party may specify in writing to the other from time to time. The time of giving and receiving any such notice will be deemed to be on the day of delivery or on the fifth business day of mailing thereof if sent by mail. In the event of any disruption of mail services, all notices will be delivered rather than mailed.

11. Binding effect

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

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

EXPLANATORY PLAN OF LEASEHOLD AREAS OVER  
PORTIONS OF PARKING LEVEL OF A 2 STOREY  
BUILDING SITUATED ON LOT P OF LOT 6 AND 7,  
BLOCK 1 TO 3, DISTRICT LOT 321,  
NEW WESTMINSTER DISTRICT, PLAN LMP33612

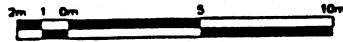
PLAN LMP

Deposited and registered in the Land  
Title Office at New Westminster, BC  
this day of , 1999.

Registrar

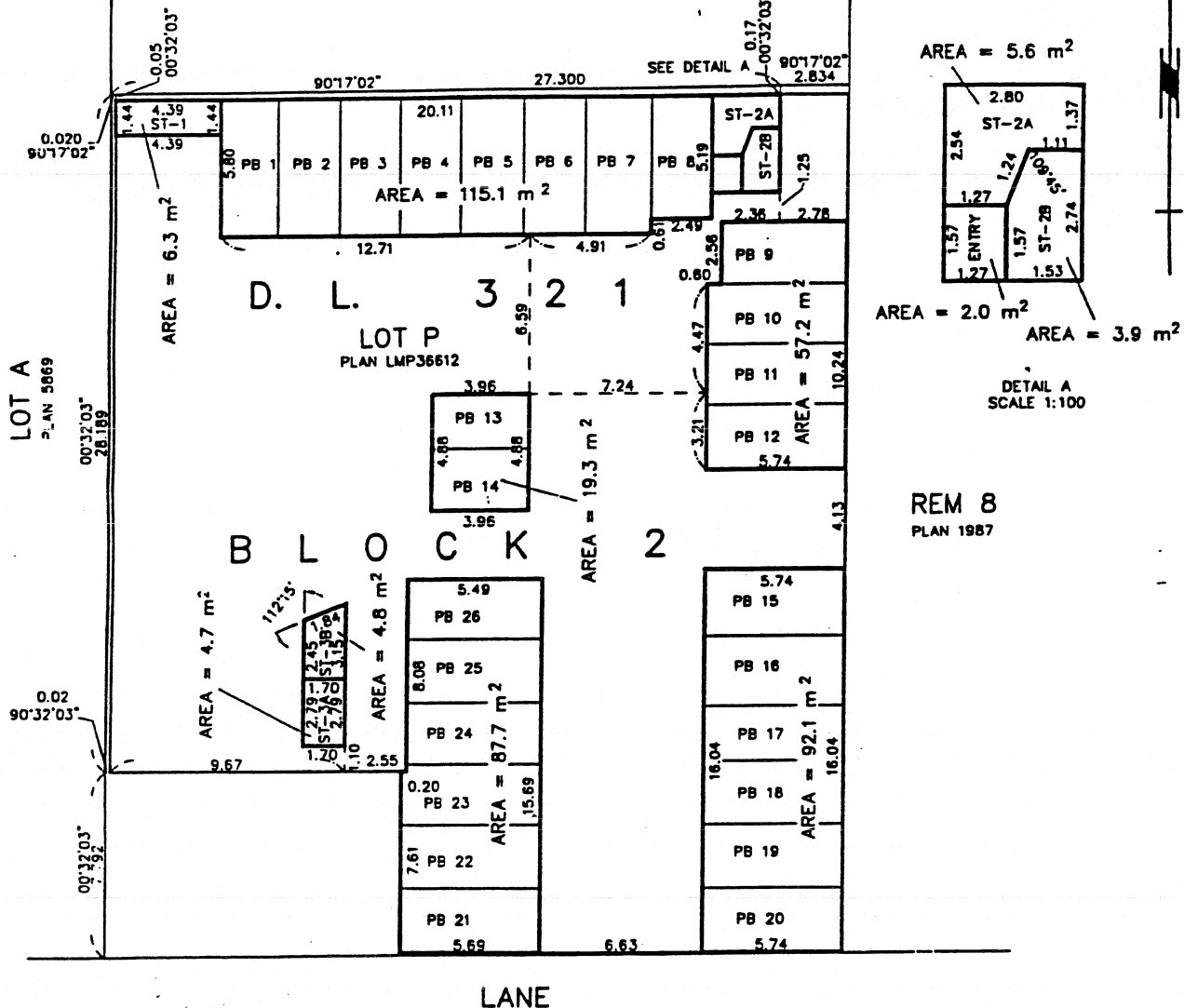
BCGS 92G.034

SCALE 1:200



This plan lies within the Greater Vancouver Regional District

WEST 41st AVENUE



## LEGEND:

Bearings are Grid bearings and are derived from Plan LMP33612

All angles are 45° or 90° unless otherwise noted.

ST denotes storage

PA denotes parking area

PB denotes parking bay

Certified correct according to Land Title  
Office records.

Dated this 4th day of October, 1999.

**Schedule "B"**  
**STORAGE LEASE**

THIS LEASE made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

BETWEEN:

LEEDA 41 DEVELOPMENTS CORP., of 102 - 1668 West Broadway,  
Vancouver, B.C. V6J 1X6

(the "Owner")

AND:

ATHENA INVESTMENTS LTD., of 102 - 1668 West Broadway,  
Vancouver, B.C. V6J 1X6

(the "Tenant")

WITNESSES THAT WHEREAS:

A. The Owner is the registered owner of certain lands and premises located in Vancouver, British Columbia, and legally described as:

Parcel Identifier 023-802-367  
Lot P  
Block 2  
District Lot 321  
New Westminster District  
Plan LMP33612

(the "Lands")

B. The Owner has agreed to grant to the Tenant a lease to use certain storage areas (the "Storage Areas") shown as ST with dark outline on the explanatory plan certified correct by Richard Fu on October 4, 1999, a reduced size copy of which is attached hereto as Schedule A and located in the underground parking facility within the residential/commercial retail development (the "Strata Development") developed on the Lands, 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 Storage Areas.

C. After entering into this Lease, the Owner proposes to deposit a strata plan (the "Strata Plan") in the New Westminster/Vancouver Land Title Office (the "Land Title Office") pursuant to the *Condominium Act* (British Columbia) to create the Strata Development.

D. The Strata Plan will designate the Storage Areas as common property (the "Common Property") of the strata corporation (the "Strata Corporation") formed upon the deposit for registration of the Strata Plan in the Land Title Office.

E. Each of the parties to this Lease agrees that the Common Property to be created upon depositing the Strata Plan in the Land Title Office is intended to be subject to and will be encumbered by this Lease.

NOW THEREFORE in consideration of the premises and the sum of \$10.00 of lawful money of Canada now paid by the Tenant to the Owner, the receipt and sufficiency of which is hereby acknowledged by the Owner, and in consideration of the mutual promises and agreements set forth in this Lease, the parties agree each with the other as follows:

**ARTICLE 1**  
**GRANT AND TERM**

**1.01 Grant.** The Owner hereby leases to the Tenant for the Term (as defined in section 1.02) all of the Storage Areas, subject to the provisions of this Lease.

**1.02 Term.** The term (the "Term") of this Lease shall commence on the earlier of the date (the "Commencement Date") an occupancy certificate is issued for the building on the Lands and the date that the Strata Corporation is created, and terminate on the earlier date of:

- (a) the date the Strata Corporation is dissolved;
- (b) the date the Strata Corporation files a notice of destruction in the prescribed form with the Registrar of the Land Title Office following the destruction or deemed destruction of the buildings in which the Storage Areas are located;
- (c) the 999<sup>th</sup> anniversary of the Commencement Date; and
- (d) the date this Lease is superseded pursuant to section 6.02.

For the purposes of this provision, the amalgamation of the Strata Corporation with another strata corporation will not be considered a dissolution of the Strata Corporation.

**1.03 Rent.** The parties to this Lease acknowledge that the sum of \$10.00 now paid by the Tenant to the Owner will be the only payment required to be paid to the Owner by either the Tenant or any assignee of a partial assignment under this Lease for the use and enjoyment of a Storage Area.

**ARTICLE 2**  
**SUBDIVISION BY STRATA PLAN**

**2.01 Strata Plan.** This Lease and the covenants and obligations of Owner under this Lease run with and bind the Lands, and upon the subdivision of the Lands by means of the Strata Plan, such covenants and obligations shall:

- (a) continue to run with and bind the subdivided parcel or part thereof which contains the Storage Areas; and
- (b) be automatically assumed by the Strata Corporation as the representative of the owners of strata lots created by deposit for registration of the Strata Plan in the land title office,

at which time Owner will be automatically and absolutely released from any obligations or liabilities thereunder.

**2.02 Common Property.** This Lease is intended to burden only that portion of the Lands which will become common property of the Strata Corporation upon the deposit for registration of the Strata Plan in the land title office and not to burden any strata lot shown on the Strata Plan, provided however that the Ingress and Egress Areas as defined in section 3.01, are and remain common property of the Strata Corporation.

**ARTICLE 3**  
**INGRESS AND EGRESS LICENCE**

**3.01** The Owner agrees that the Tenant, its successors and permitted assigns, shall at all times have the express or implied permission and licence of the Owner to full ingress and egress, upon registration of the Strata Plan, over the portions of the Common Property and Lands as may be necessary in order to access and use the Storage Areas, including without limitation those areas designated as roadways, stairways,

elevators or walkways (the "Ingress and Egress Areas"). In furtherance of such licence the Owner will at all times provide Tenant in its capacity as the Tenant of the Storage Areas, with any means of access to any security devices as necessary to enable the Tenant and subsequent assignees to use and enjoy the Storage Areas.

#### **ARTICLE 4** **MAINTENANCE AND ENCUMBRANCES**

**4.01        Maintenance.** The Owner confirms that until the deposit for registration of the Strata Plan, the Owner shall be solely responsible for the control, management and administration of the Storage Areas but thereafter, pursuant to section 2.01 of this Lease, the Strata Corporation will assume full responsibility for the control, management and administration of the Storage Areas as Common Property in accordance with the provisions of the *Condominium Act* (British Columbia) and may pass bylaws or make rules and regulations with respect to the Storage Areas 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, are of general application to all Storage Areas and all users of such Storage Areas, are fairly and uniformly enforced with respect to all Storage Areas and all users of such Storage Areas and do not interfere with the Tenant's or any subsequent assignee's right of continuous uninterrupted access to the Storage Areas or a part thereof during the Term.

**4.02        Alterations.** The Tenant, its successors and permitted assigns, are not entitled to alter or to perform any repairs of any sort whatsoever to the Storage Areas. Any such alterations or repairs are the sole responsibility of the Owner prior to the deposit of the Strata Plan, and thereafter of the Strata Corporation.

**4.03        Subordination.** The Tenant agrees to subordinate its interest pursuant to this Lease to any financial encumbrance registered by the Owner against the Lands provided the holder of the encumbrance agrees to recognize and not foreclose the Tenant's interest hereunder as long as the Tenant is not in default hereunder.

**4.04        No Right to Encumber.** The Tenant, its successors and permitted assigns, are not entitled to mortgage, charge, pledge or otherwise grant their interest in any Storage Area as security to any person.

#### **ARTICLE 5** **ASSIGNMENT**

**5.01        Partial Assignments.** The Tenant may partially assign this Lease and its rights under this Lease pertaining to particular Storage Areas to purchasers of Strata Lots or to the Strata Corporation. Any such assignment will be for such consideration as the Tenant may in its sole discretion determine, which consideration may be retained by the Tenant for its own benefit. Any partial assignment by the Tenant, or by any subsequent assignee, of this Lease and its rights under this Lease pertaining to a particular Storage Area :

- (a) will be absolute, and the assignee and its guests, lessees, successors and permitted assigns will be entitled to the use and enjoyment of the Storage Area 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 unless the assignment is to the Strata Corporation or back to the Tenant;
- (c) may only be reassigned to an owner or purchaser of a Strata Lot, the Strata Corporation, or back to the Tenant if the assignor is a person other than the Tenant; and
- (d) will not be effective until written notice of such assignment (together with a copy of such assignment if available) is delivered by the assignee to the Strata Corporation, subject to section 5.02 of this Lease.

**5.02      Automatic Assignment.** If a holder of an interest in a Storage Area transfers all of his or her interest in a Strata Lot to which such Storage Area is at such time appurtenant as shown on the register maintained under section 5.07, without concurrently executing an assignment of such Storage Area to another owner or purchaser of a Strata Lot, then the interest of such holder in such Storage Area (including the Tenant) will be deemed to have been automatically assigned to and assumed by the purchaser of such Strata Lot without execution of a partial assignment of this Lease with respect to such Storage Area or delivery of notice of such partial assignment to the Strata Corporation.

**5.03      Exchanges and Transfers.**

- (a) A holder of an interest (the "First Owner" in this subsection) in a Storage Area (the "First Storage Area ") may exchange his or her interest in the First Storage Area with the holder (including the Tenant) of an interest (the "Second Owner") in this subsection) in a different Storage Area (the "Second Storage Area ") 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 Storage Area , and the Second Owner partially assigning this Lease to the First Owner in respect of the Second Storage Area . The First Owner and the Second Owner will each execute a partial assignment of this Lease in favour of the other substantially in the form attached hereto as Schedule B. The exchange will be on the terms set out in subsections 5.01(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 5.02 will not apply to exchanges under this subsection 5.03(a).
- (b) A holder of an interest (the "First Owner" in this subsection) in a Storage Area may transfer his or her interest in such Storage Area to an owner of a strata lot within the Strata Development, the Tenant or the Strata Corporation (the "Second Owner" in this subsection) for such consideration as the First Owner may in his or her discretion determine. 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 in favour of the Second Owner substantially in the form attached hereto as Schedule B. The transfer will be on the terms set out in subsections 5.01(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 5.02 will not apply to transfers under this subsection 5.03(b).

**5.04      Consents.** The consent of the Owner will not be required for any partial assignment of this Lease. The Owner 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.

**5.05      Form of Partial Assignments.** Subject to section 5.02, all partial assignments of this Lease shall be substantially in the form attached hereto as Schedule B.

**5.06      Release of Assignors.** Upon the partial assignment (including an automatic assignment pursuant to section 5.02) of this Lease pertaining to a particular Storage Area , the Tenant and any subsequent assignor of an interest in such Storage Area will be automatically and absolutely released from any obligations or liabilities under this Lease pertaining to such Storage Area .

**5.07      Register of Partial Assignments.** The Owner will maintain a register of all Storage Areas and will record on such register each partial assignment of this Lease, indicating:

- (a) the number of the Storage Area assigned;
- (b) the date of assignment;
- (c) the name and address of the assignee; and

- (d) the number of the Strata Lot owned by the assignee to which such Storage Area is at the time appurtenant, unless the assignee is the Strata Corporation or the Tenant, in which event the Storage Area need not be appurtenant to a Strata Lot.

Upon request by any owner or prospective purchaser of a Strata Lot, the Strata Corporation will provide a certificate, within 7 days of receipt of such request, certifying the name and address of the owner to whom a particular Storage Area is assigned and the number of the Strata Lot to which such Storage Area is at the time appurtenant. The Strata Corporation may require a fee of not more than \$10.00, or a greater amount reasonably prescribed by the Strata Corporation, from the person requesting such certificate. Upon the Strata Corporation becoming aware of a partial assignment pertaining to a particular Storage Area under section 5.01 or 5.02, the Strata Corporation will amend the register accordingly.

## **ARTICLE 6**

### **MISCELLANEOUS**

**6.01      No Registration.** No partial assignment of this Lease shall be registrable by either party in any Land Title Office.

**6.02      Supersession of Lease.** If the Strata Corporation deems it appropriate, it may by special resolution supersede this Lease and grant to all persons shown then as assignees in the Strata Corporation's register of partial assignments maintained pursuant to section 5.07 above, the exclusive right to use their respective Storage Areas which are substantially similar to the rights granted to such persons through partial assignments of this Lease, provided that the Strata Corporation may not do so unless and until the Tenant has partially assigned this Lease in respect of all of the Storage Areas.

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

**6.04      Definitions.** Any term defined in the recitals to this Lease will have the same meaning throughout this Lease unless otherwise redefined.

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

IN WITNESS WHEREOF the parties hereto have executed this Lease by their respective duly authorized officers.

THE COMMON SEAL OF LEEDA 41  
DEVELOPMENTS CORP. was hereunto affixed )  
in the presence of: )

c/s

\_\_\_\_\_  
Title: )

THE COMMON SEAL OF ATHENA  
INVESTMENTS LTD. was hereunto affixed in )  
the presence of: )

c/s

\_\_\_\_\_  
Title: )



**SCHEDULE A**

**THE CROFTONS**

**STORAGE AREA LAYOUT ATTACHED**

**NOTE: Each individual Storage Area is as  
marked on the ground within the Storage Areas**



**SCHEDULE B**  
**THE CROFTONS**  
**STORAGE AREA ASSIGNMENT**

BETWEEN: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, (the "Assignor")

AND: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, (the "Assignee")

RE: Storage Area(s) no(s). \_\_\_\_\_ (the "Storage Area(s)") in \_\_\_\_\_  
(the "Development")

WHEREAS the Assignor is the lessee of the Storage Area(s) and the Assignee is either [NAME OF STRATA CORPORATION] (the "Strata Corporation") or the registered Owner or purchaser of strata lot \_\_\_\_ (the "Strata Lot") in the Development.

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

1. **Assignment.** The Assignor hereby assigns to the Assignee its partial interest in the lease (the "Lease") dated the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ made between Leeda 41 Developments Corp. as the Owner, and Athena Investments Ltd., as Tenant, pertaining to the right to use the Storage Area(s) for the balance of the Term (as defined in the Lease). Subject to section 5.02 of the Lease, this Assignment will not be effective until the Assignee has given a copy of this Assignment to the Strata Corporation.
2. **Assignment Contingent Upon Strata Lot Ownership.** Unless the Assignee is the Strata Corporation or Athena Investments Ltd., the Assignee, its successors, permitted assigns, heirs, executors or administrators shall only be entitled to the rights with respect to the Storage Area(s) for as long as the Assignee owns the Strata Lot.
3. **Compliance.** The Assignee agrees to use the Storage Area(s) 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.
4. **Sale or Disposition.** The Assignee may only assign its rights under this Assignment and may only allow anyone else to use the Stall(s) in the circumstances permitted by the Lease.
5. **Acknowledgement.** The Assignee acknowledges having received a copy of the Lease and agrees to be fully bound by its terms insofar as it is applicable to the Storage Area(s).

6. **Enurement.** This Assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

The parties have executed this Assignment effective as of the \_\_\_\_ day of \_\_\_\_\_,

\_\_\_\_\_  
Assignor

\_\_\_\_\_  
Assignee

**END OF DOCUMENT**

**RESTATED DISCLOSURE STATEMENT  
REAL ESTATE ACT OF BRITISH COLUMBIA  
OCTOBER 7, 1999**

*This document comprises the Restated Disclosure Statement, being a replacement of the original Disclosure Statement dated June 17, 1997, with respect to an offering by Leeda 41 Developments Corp. for the sale of strata lots located at 3028-3050 West 41st Avenue, Vancouver, British Columbia and known as "The Croftons"*

---

---

**DEVELOPER:**

**Name:**

**LEEDA 41 DEVELOPMENTS CORP.  
(the "Developer")**

**Registered Office and Address for  
Service:**

1908 - 925 West Georgia Street  
Vancouver, British Columbia  
V6C 3L2

**Head Office and Mailing Address:**

102 - 1668 West Broadway  
Vancouver, British Columbia  
V6J 1X6

**AGENT FOR THE DEVELOPER:**

The Developer reserves the right to appoint an agent at a later date

---

**DISCLAIMER**

NEITHER THE SUPERINTENDENT OF REAL ESTATE NOR ANY OTHER AUTHORITY OF THE GOVERNMENT OF THE PROVINCE OF BRITISH COLUMBIA HAS IN ANY WAY PASSED ON THE MERITS OF THE MATTERS DEALT WITH IN THIS RESTATED DISCLOSURE STATEMENT. THIS RESTATED DISCLOSURE STATEMENT HAS BEEN FILED WITH THE SUPERINTENDENT OF REAL ESTATE BUT HE HAS NOT DETERMINED WHETHER OR NOT IT COMPLIES WITH PART 2 OF THE REAL ESTATE ACT.

1. **LEGAL DESCRIPTION AND LOCATION OF THE DEVELOPMENT**

1.1 **Current Legal Description**

The 11 residential strata lots (the "Residential Strata Lots") and 6 commercial strata lots (the "Commercial Strata Lots") offered for sale by the Developer pursuant to this Restated Disclosure Statement will be located on lands which are currently legally described as follows:

City of Vancouver  
Parcel Identifier 023-802-367  
Lot P  
Block 2  
District Lot 321  
New Westminster District  
Plan LMP33612

(collectively, the "Property").

1.2 **Future Legal Descriptions**

The Strata Lots will be created upon the deposit of a strata plan (the "Strata Plan") in respect thereof in the Vancouver/New Westminster Land Title Office (the "Land Title Office"). A reduced copy of the surveyed Strata Plan to be filed for registration is attached as Exhibit A to this Restated Disclosure Statement. Upon the registration of the Strata Plan it is expected that the Strata Lots will be legally described as follows:

City of Vancouver  
Strata Lots 1 to 17  
Blocks 1 to 3  
District Lot 321  
Strata Plan \_\_\_\_\_

together with an interest in the common property in proportion to the unit entitlement of the Strata Lots as shown on Form 1.

A number will be assigned to the Strata Plan upon its registration in the Land Title Office.

The Strata Plan must be approved by the Land Title Office and is therefore subject to any change required by the Registrar of the Land Title Office.

1.3 **Location**

The Property is located at 3028-3050 West 41st Avenue in Vancouver, British Columbia. The Property is located on West 41st Avenue near Macdonald Street which has public transportation connections into and out of downtown Vancouver.

## 2. **THE DEVELOPMENT**

### 2.1 (a) **General Description of the Development**

The development ("The Development") will be a residential/commercial-retail strata development known as "The Croftons" which will contain 11 Residential Strata Lots and 6 Commercial Strata Lots located within one building. The basement parking and ground floor areas, the latter of which will be comprised of the Commercial Strata Lots, will be reinforced concrete construction, and the Residential Strata Lots will be woodframe construction. The Residential Strata Lots will be on the second level above the Commercial Strata Lots and on the first, second and third levels at the rear of the building.

The 11 Residential Strata Lots will be as follows:

3 one bedroom strata lots, each measuring from approximately 624 to 645 square feet in area;

7 two bedroom suites, each measuring from approximately 909 to 1,037 square feet in area; and

1 three bedroom suite, measuring approximately 1,130 square feet in area.

The 6 Commercial Strata Lots will comprise a total area of approximately 4,402 square feet on the ground floor of the building.

The building envelope will be constructed with rain screen to comply with building code requirements.

For the purposes of this Restated Disclosure Statement, the Residential Strata Lots and the Commercial Strata Lots will be collectively referred to as the "Strata Lots" and singularly referred to as a "Strata Lot".

Each of the owners of the Strata Lots will also be entitled to a proportionate share of the common property of the Strata Corporation (the "Common Property"), including the common facilities and other assets of the Strata Corporation, which the owners of the Strata Lots will own as tenants in common.

The dimensions, lot lines and location of the Strata Lots are set out in the surveyed Strata Plan attached as Exhibit A to this Restated Disclosure Statement.

### (b) **Phased Strata Development**

The Development will be carried out in one phase.

### (c) **Limited Common Property**

Limited common property ("Limited Common Property") is an area within the Common Property that may be used exclusively by one or more Strata Lot owners and any additional maintenance expenses created thereby will be paid by such owners. The Developer will

designate Limited Common Property upon tendering the Strata Plan attached hereto as Exhibit A for registration in the Land Title Office.

Limited Common Property which will be designated by the Developer for the exclusive use of individual Residential Strata Lots or Commercial Strata Lots, as the case may be, will include the areas shown as balconies, patios or decks adjacent to such Strata Lots, if any. Any such designation of such areas as Limited Common Property for the exclusive use of an adjacent Residential Strata Lot or Commercial Strata Lot, as the case may be, will be as indicated on the Strata Plan attached to this Restated Disclosure Statement as Exhibit A.

In addition, the Developer will be entitled to designate:

- (i) areas applicable to the Residential Strata Lots, such as hallways, stairways, storage areas and loading areas, as Limited Common Property for the Residential Strata Lots; and
  - (ii) areas applicable to the Commercial Strata Lots, such as hallways, stairways, storage areas and loading areas, as Limited Common Property for the Commercial Strata Lots.
- (d) **Parking Facilities**

The Development will include 26 underground parking stalls (collectively, the "Parking Stalls").

The Developer intends to designate all of the Parking Stalls as Common Property on the Strata Plan for the Development.

Prior to the deposit of the Strata Plan in the Land Title Office, the Developer, as landlord, will enter into a lease (the "Parking Lease") substantially in the form attached as Exhibit B to this Restated Disclosure Statement, with a British Columbia entity (the "Parking Tenant") selected by the Developer, of all Parking Stalls for a nominal one-time rental payment of \$10.00. The form and content of the Parking Lease is subject to amendment at the discretion of the Developer. At the Developer's sole option, the Parking Lease or a document securing or evidencing the Parking Lease may be registered against title to the Property or the Common Property (the "Parking Lease Encumbrance"). Although the Strata Plan will designate the Parking Stalls as Common Property, this designation will be subject to the Parking Lease and, if applicable, the Parking Lease Encumbrance. Accordingly, the owners and occupants of the Strata Lots shall not have any right to use the Parking Stalls except as set out below. Upon the deposit of the Strata Plan in the Land Title Office, the Developer will cause the Strata Corporation to assume the Parking Lease, as landlord.

Until the deposit for registration of the Strata Plan, the Developer shall be solely responsible for the control, management and administration of the Parking Stalls but thereafter, the Strata Corporation will assume full responsibility for the control, management and administration of the Parking Stalls as Common Property in accordance with the provisions of the *Condominium Act* (British Columbia) and may pass bylaws or make rules and regulations with respect to the Parking Stalls as long as such bylaws, rules or regulations do not materially interfere with the rights of the Parking Tenant or any subsequent assignee under the Parking Lease.



The Parking Tenant reserves the right to sell partial assignments of any available Parking Stalls under the Parking Stall Lease to the owners and occupants of the Strata Lots on the terms established from time to time by the Parking Tenant. All proceeds of such sales shall be payable to the Parking Tenant. No owners or occupants of the Strata Lots will have the right to use a Parking Stall unless the owner or occupant purchases a partial assignment of the Parking Lease in respect of such Parking Stall.

The Parking Tenant reserves the right to use any Parking Stalls not sold as aforesaid (the "Remaining Parking Stalls") to operate a commercial paid parking facility, open to the general public, including the guests, owners, tenants and customers of the Commercial Strata Lots, on an hourly, daily and monthly basis, with the proceeds therefrom being retained by the Parking Tenant.

(e) **Storage Areas**

The Developer intends to designate all of the storage areas as Common Property on the Strata Plan for the Development.

Prior to the deposit of the Strata Plan in the Land Title Office, the Developer, as landlord, will enter into a lease (the "Storage Lease") substantially in the form attached as Exhibit C to this Restated Disclosure Statement, with a British Columbia entity (the "Storage Tenant") selected by the Developer, of all Storage Areas for a nominal one-time rental payment of \$10.00. The form and content of the Storage Lease is subject to amendment at the discretion of the Developer. At the Developer's sole option, the Storage Lease or a document securing or evidencing the Storage Lease may be registered against title to the Property or the Common Property (the "Storage Lease Encumbrance"). Although the Strata Plan will designate the Storage Areas as Common Property, this designation will be subject to the Storage Lease and, if applicable, the Storage Lease Encumbrance. Accordingly, the owners and occupants of the Strata Lots shall not have any right to use the Storage Areas except as set out below. Upon the deposit of the Strata Plan in the Land Title Office, the Developer will cause the Strata Corporation to assume the Storage Lease, as landlord.

Until the deposit for registration of the Strata Plan, the Developer shall be solely responsible for the control, management and administration of the Storage Areas but thereafter, the Strata Corporation will assume full responsibility for the control, management and administration of the Storage Areas as Common Property in accordance with the provisions of the *Condominium Act* (British Columbia) and may pass bylaws or make rules and regulations with respect to the Storage Areas as long as such bylaws, rules or regulations do not materially interfere with the rights of the Storage Tenant or any subsequent assignee under the Storage Lease.

The Storage Tenant reserves the right to sell partial assignments of any available Storage Areas under the Parking Stall Lease to the owners and occupants of the Strata Lots on the terms established from time to time by the Storage Tenant. All proceeds of such sales shall be payable to the Storage Tenant. No owners or occupants of the Strata Lots will have the right to use a Storage Area unless the owner or occupant purchases a partial assignment of the Storage Lease in respect of such Storage Area.

(f) **Common Facilities**

In addition to the Parking Stalls and Storage Areas, other common facilities and equipment comprising the Common Property of the Development include vehicular and pedestrian access routes, service and refuse rooms/areas and a bicycle storage room/area.

(g) **Unit Entitlement**

The Unit Entitlement of each Strata Lot is a figure indicating its share in the Common Property and assets of the Development and is used to determine each Strata Lot's contribution to expenses incurred in respect of the Common Property. The Unit Entitlement is based on the habitable square metres in each Strata Lot, excluding any non-living areas such as a patio or deck. A schedule of the Unit Entitlement for the Strata Lots is set out in Form 1 of Exhibit A.

The Unit Entitlement of the Strata Lots must be approved by the Superintendent of Real Estate and is therefore subject to any change required by the Superintendent.

(h) **Interest Upon Destruction**

The Interest upon Destruction of each Strata Lot is the figure indicating its share of the Development upon destruction or other termination thereof. Interest upon Destruction is based on the proposed market value of the Strata Lots. A schedule of the Interest upon Destruction for the Strata Lots is set out Form 2 of Exhibit A. The Interest upon Destruction of the Strata Lots must be approved by the Superintendent of Real Estate and is therefore subject to any change required by the Superintendent.

(i) **Voting**

Subject to any change required by the Superintendent of Real Estate, the owner or owners of each Strata Lot within the Development will have the number of votes in the strata corporation set out Form 3 of Exhibit A.

(j) **Bylaws**

The Developer anticipates that the bylaws of the Strata Corporation will be substantially in the form attached to this Disclosure Statement as Exhibit D. The bylaws must be approved by the Superintendent of Real Estate for the Province of British Columbia and, as such, are subject to the changes required by the Superintendent.

(k) **Equipment**

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

- 1 - gas range oven
- 1 - refrigerator
- 1 - dishwasher
- 1 - garburator
- 1 - hood fan

1 - washer and dryer

**(l) Use of the Commercial Strata Lots**

The Commercial Strata Lots may not be used:

- (i) for the purposes of a restaurant, adult retail store, body-rub parlour, pawn shop, secondhand store, cabaret, auction hall, or funeral home. Where any of the foregoing are referred to in the current bylaws of the City of Vancouver for property zoned in the C-1 district, they shall have the definition as applied in the said current bylaws;
- (ii) for any retail operation operating outside of the hours of 7:00 a.m. to 10:00 p.m.;
- (iii) for any activity which creates or is likely to create noxious or offensive odours; or
- (iv) for any other use which is contrary to the bylaws of the City of Vancouver for property zoned in the C-1 district or the bylaws of the Strata Corporation.

The Developer reserves the right to file against title to the Commercial Strata Lots a restrictive covenant or restrictive covenants restricting the use of the Commercial Strata Lots as aforesaid.

**(m) Construction Commencement and Completion**

The construction of the Strata Lots commenced in June, 1998, and the estimated date of completion of the Strata Lots is October, 1999. The completion date is given in accordance with the existing construction schedule of the Developer but may be amended from time to time by the Developer. Actual occupancy dates for the Strata Lots are also dependent upon the City of Vancouver issuing occupancy permits and shell occupancy permits as the case may be and the Developer will not guarantee that the completion and occupancy dates will be the same as or even approximate the dates set out above.

**2.2 Zoning and Development Approval**

- (a) The Property is currently zoned C-1. The Development complies with the current zoning of the Property.
- (b) The City of Vancouver has approved the issuance of a preliminary development permit no. DE401914 for the Development.
- (c) The development permit and building permit were issued by the City of Vancouver in respect of the Development under numbers DE402884 on March 20, 1998, and BU409366 on June 17, 1998, respectively.
- (d) The Development, as constructed, will comply with all building restrictions, zoning regulations and other restrictions governing the use and development of the Development and any Strata Lot therein.

**2.3 Flooding Dangers**

The Developer is not aware of any dangers connected with the Development in respect of flooding or drainage hazards.

**2.4 Conditions of Soil and Subsoil**

The Developer is not aware of any dangers connected with the Development in respect of the condition of the soil or subsoil.

**2.5 Utilities and Other Services**

The Development will be serviced by a water system, electricity, natural gas, sewerage, garbage collection, fire protection, telephone, cable television and public access.

**2.6 Litigation**

There is no outstanding or contingent litigation or liability in respect of the Development against the Developer which may affect the Strata Lots.

**3. TITLE OF THE DEVELOPMENT**

**3.1 State of Title**

**(a) Registered Owner**

The Developer is the registered owner of the Property.

**(b) Encumbrances**

There are no encumbrances currently registered against title to the Property, other than Statutory Right of Way No. BM298597 in favour of British Columbia Hydro and Power Authority and construction financing with the Canadian Imperial Bank of Commerce under Mortgage No. BN46285 and Assignment of Rents registered under No. BN46286 ("CIBC's Security"). Arrangements have been made to obtain partial discharges of CIBC's Security using the net sale proceeds of each Strata Lot and, if necessary, the funds of the Developer.

**(c) Future Encumbrances**

Title to the Property is subject to subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant, or in any other grant or disposition from the Crown. The Property may also be subject to:

- (i) such covenants, rights-of-ways, easements, indemnities and other charges in favour of the City of Vancouver or other public or government authorities which may be or are required in respect of the consolidation or development of the Property;
- (ii) the Parking Lease and Storage Lease; and

- (iii) restrictive covenant(s) concerning the use of the Commercial Strata Lots as described above at paragraph 2.1(l) of this Restated Disclosure Statement.

#### **4. EXPENSES AND FINANCING**

##### **4.1 Deposits**

Unless paid out by operation of law, all deposits and other money received from purchasers of the Strata Lots shall be held in trust in the manner required by the Real Estate Act until such time as:

- (a) a strata plan in respect of the Development is deposited in the Land Title Office;
- (b) the Strata Lot purchased is capable of being occupied; and
- (c) an instrument evidencing the interest of the purchaser in the Strata Lot has been filed for registration in the Land Title Office.

##### **4.2 Strata Lot Expenses**

- (a) Each Strata Lot owner will be responsible for real property taxes for his Strata Lot. Property taxes are levied by and payable to the City of Vancouver;
- (b) The cost of utilities and services relating to Common Property will be shared by, and prorated to, the owners of the Strata Lots in accordance with each owner's share of the total Unit Entitlement of the Strata Lots in the Development or as otherwise set out in the current budget of the Strata Corporation, and in respect of utilities and services attributable to any one or more strata lots, shall be allocated to such strata lot or lots;
- (c) The Developer will enter into a Lease for the common area security equipment, to be assumed by the Strata Corporation, and the monthly payments under the Lease will be reflected in the estimated budget of operating expenses referred to in subparagraph 4.2(f) below;
- (d) The cost of utilities and services relating to Limited Common Property designated for the exclusive use of the Commercial Strata Lots, including heating, lighting and the maintenance and repair thereof, will be shared by, and prorated to, the owners of the Commercial Strata Lots in accordance with their proportionate share of the total unit entitlement of the Commercial Strata Lots;
- (e) The cost of utilities and services relating to the Limited Common Property designated for the exclusive use of the Residential Strata Lots will be shared by, and prorated to, the owners of the Residential Strata Lots in accordance with their proportionate share of the total Unit Entitlement of the Residential Strata Lots; and
- (f) An estimated budget of operating expenses for the first full year of the strata corporation based upon current costs is attached as Exhibit E. Exhibit E also sets out the estimated monthly

assessment for each of the Strata Lots within the Development. The actual costs may differ slightly as a result of local rates of inflation. The actual monthly assessments will be calculated upon the finalization of the Unit Entitlement as described in paragraph 2.1(g) above. The estimated interim budget for the first nine month period following the deposit of the strata plan creating the Strata Lots, as required by Subsection 128(4) of the Condominium Act, can be calculated by multiplying the annual budget by 9/12.

#### **4.3 Insurance**

- (a) The Developer has placed general liability insurance of not less than \$2,000,000 in respect of the Development. The Developer has placed insurance covering the Development to its replacement value against fire and other perils as are usually the subject of insurance in respect of similar properties and which includes permission to complete construction of the Development.
- (b) The strata corporation will initially carry: (i) insurance for the building, common facilities and any insurable improvements owned by the strata corporation to their replacement value against fire and against other perils as are usually the subject of insurance in respect of similar properties (ii) not less than \$2,000,000 general liability insurance in respect of the Development.
- (c) Each purchaser will be responsible for insuring personal property within his own Strata Lot when the transfer from the Developer is completed.

#### **5. CARETAKER'S RESIDENCE**

##### **5.1 Caretaker's Residence**

There will not be a caretaker's residence included within the Development.

#### **6. MISCELLANEOUS**

##### **6.1 Construction Warranties**

The Developer will provide a warranty as to the construction and finishing of the Commercial Strata Lots in the form attached hereto as Exhibit F for a period of one year from the date of the issuance of a shell occupancy permit for the Commercial Strata Lots which is estimated to be October, 1999.

Any manufacturer's warranty on appliances included in the purchase price of a particular Residential Strata Lot will be passed on to the purchase of that Lot if permitted by such warranty.

In respect of the Residential Strata Lots, the Developer has obtained new home warranty coverage for the Development with Kingsway General Insurance Company, a warranty insurance provider approved by the Financial Institutions Commission. The Residential Strata Lots will be covered for two years on material and workmanship, five years on building envelope, and ten years on major structural defects. A copy of the Home Warranty Insurance Strata Owners Form, which sets out coverage,

exclusions, and warranty standards and purchasers' responsibilities, a copy of each of the Warranty Registration Confirmations for each of the Residential Lots, and a copy of the current form of Notice of Possession which must be completed by the Developer and purchaser of a Residential Strata Lot, are attached as Exhibit F.

**6.2 Rental Disclosure**

Under Section 31 of the Condominium Act, the owner/developer of residential strata lots must disclose to every prospective purchaser the intention to lease Strata Lots in order to ensure that such Strata Lots may be leased in the future. A rental disclosure statement in respect of all Residential Strata Lots within the Development will be concurrently filed with the Superintendent of Real Estate by the Developer. A copy of the Rental Disclosure Statement is attached as Exhibit G.

**6.3 Agreement of Purchase and Sale**

The Developer will offer the Strata Lots for sale pursuant to this Restated Disclosure Statement substantially on the terms and conditions set out in the form of agreement of purchase and sale attached hereto as Exhibit H, unless otherwise agreed between the Developer and a purchaser. The Developer reserves the right to amend from time to time the agreements of purchase and sale as the Developer, in its discretion, deems fit.

**6.4 Management Agreement**

The Developer intends to appoint a manager in the manner required by the Condominium Act of British Columbia and will cause the Strata Corporation to enter into a management agreement after it appoints the manager. The property management agreement will provide for termination upon three months' notice in accordance with the provisions of the Condominium Act of British Columbia. Further details concerning the management agreement will be provided after the terms are settled.

**6.5 Other Contracts Affecting the Development**

The Developer may also enter into or cause the Strata Corporation to enter into maintenance and rental agreements and other agreements with respect to the Common Property and equipment, including without limitation, garbage collection.

**6.6 Display Suites and Marketing**

Following the deposit of the Strata Plan in the Land Title Office, the Developer will continue to carry out for such periods of time as the Developer determines to be necessary or desirable in connection with the marketing of the Development, marketing, sales and leasing activities within the Common Property and any of the Strata Lots owned or leased by the Developer, including maintaining one display suite, other display areas, parking areas and signage. The Developer will act reasonably in exercising such rights and will use reasonable efforts to minimize any interference with the use or enjoyment of the Common Property.

**7. Developer**

Particulars of the Developer are as follows:

(a) Directors and Officers:

Name: Edwin Lee  
Positions: Director/President/Secretary

**CAUTION**

The Developer, directors of a corporate Developer, and any other person required by the Superintendent of Real Estate to sign this Restated Disclosure Statement are advised to read the provisions of and be fully aware of their obligations under Part 2 of the Real Estate Act before signing the Statement, as a person who fails to comply with the requirements of Part 2 of the Real Estate Act may, on conviction, be liable:

- (a) in the case of a corporation, to a fine of not more than \$100,000; and
- (b) in the case of an individual, to either a fine of not more than \$100,000 or to imprisonment for not more than five years less one day.



## DECLARATION

The foregoing declarations constitute full, true and plain disclosure of all material facts relating to the Development referred to above, proposed to be sold, as required by the Real Estate Act of the Province of British Columbia as of the 7th day of OCTOBER, 1999.

### DEVELOPER

LEEDA 41 DEVELOPMENTS CORP.

Per: 

EDWIN LEE

C/S

THE SOLE DIRECTOR OF LEEDA 41 DEVELOPMENTS CORP.

  
EDWIN LEE

## RIGHT OF RESCISSION

Under Section 63 of the Real Estate Act the purchaser or lessee of subdivided land situated in the Province may, so long as he remains the beneficial owner of the land, rescind the purchase contract or lease by serving written notice on the Developer or its agent, within 3 days after the later of the date the contract was entered into or the date the purchaser or lessee received a copy of this Restated Disclosure Statement.

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

- (c) the agent at the address, if any, shown on the face of this Restated Disclosure Statement;
- (d) the agent at his office or place of business where the contract was made; or
- (e) the Developer at its address inside or outside the Province where no agent is acting on its behalf.

The Developer is required to keep any money it receives from the purchaser or lessee in a trust account in the Province until the rescission period referred to above has expired. Where a notice of rescission is served on the Developer or its agent, the Developer or its agent shall return the trust account money to the person from whom it was received or shall pay it into court.

## SOLICITOR'S CERTIFICATE

IN THE MATTER OF the Real Estate Act and the Restated Disclosure Statement for property within the City of Vancouver at 3038 West 41st Avenue and legally described as:

City of Vancouver  
Parcel Identifier: 023-802-367  
Lot P  
Block 2  
District Lot 321  
New Westminster District  
Plan LMP33612

I, Carol A. Lee, Solicitor, a member of the Law Society of British Columbia, HEREBY CERTIFY that I have read over the above described Restated Disclosure Statement dated as of October 7, 1999 and have reviewed same with the Developer therein named, and that the facts contained in section 1.1 and subsections 3.1(a) and 3.1(b) of the Restated Disclosure Statement are correct.

DATED at Vancouver, in British Columbia, this 7<sup>th</sup> day of October, 1999.

CAROL A. LEE

STATUTORY DECLARATION


IN THE MATTER OF the Real Estate Act and the  
Restated Disclosure Statement for property within  
the City of Vancouver at 3038 West 41st Avenue  
and legally described as:

City of Vancouver  
Parcel Identifier: 023-802-367  
Lot P  
Block 2  
District Lot 321  
New Westminster District  
Plan LMP33612

I, Edwin Lee, of Vancouver, British Columbia, do solemnly declare:

1. THAT I am the sole director of Leeda 41 Developments Corp., the Developer referred to in the above described Restated Disclosure Statement dated as of October 7, 1999.
2. THAT every matter of fact stated in the said Restated Disclosure Statement is true.
3. THAT a true copy of the Restated Disclosure Statement will be delivered to each prospective purchaser or lessee.
4. AND I make this solemn declaration, conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath.

SWORN BEFORE ME at the City of  
Vancouver, in the Province of British  
Columbia, this 7th day of October, 1999.

  
A Commissioner for taking Affidavits  
for British Columbia

  
EDWIN LEE

## **EXHIBITS TO THIS RESTATED DISCLOSURE STATEMENT**

- A. Strata Plan and Schedules of Unit Entitlement and Interest Upon Destruction**
- B. Parking Lease**
- C. Storage Lease**
- D. Bylaws**
- E. Estimated Budget of Operating Expenses and Monthly Assessments**
- F. Home Warranty Insurance Strata Owners Form and Related Documents**
- G. Rental Disclosure Statement**
- H. Offer to Purchase and Agreement of Sale**

## **EXHIBIT A**

### **STRATA PLAN AND SCHEDULES OF UNIT ENTITLEMENT AND INTEREST UPON DESTRUCTION**

STRATA PLAN OF LOT P,  
OF LOT 6 AND 7, BLOCK 1 TO 3,  
DISTRICT LOT 321,  
NEW WESTMINSTER DISTRICT  
PLAN LMP33612

BCGS 92G.034

This plan lies within the Greater Vancouver Regional District

STRATA PLAN LMS

Deposited and registered in the Land  
Title Office of New Westminster, B.C.  
this day of , 1999

Registrar

SCALE 1 : 250



WEST 41st AVENUE

KEY PLAN



A  
PLAN 5869

BLOCK

90°17'02"

30.154

P  
PLAN LMP33612

2-STORY BUILDING  
W/ BASEMENT

2

REM 8

PLAN 1987

35.981

35.987

00°32'03"

00°32'13"

Line of underground parking

90°17'44"

30.152

LANE

NOTES:

All distances are in metres unless otherwise noted.  
All angles are 45° or 90° unless otherwise noted.

STRATA LOT BOUNDARIES ARE DEFINED AS FOLLOWS:

1. Outside face of stud walls adjoining common property
2. Centreline of party walls.
3. Outside face of elevator walls.
4. Exterior face of concrete wall.

LEGEND:

Bearings are Grid bearings and are derived  
from observations between control monuments  
V 2943 and V 3039, Integrated Survey Area  
number 31, CITY OF VANCOUVER

This plan shows ground level measured  
distances. Prior to computation of U.T.M.  
co-ordinates multiply by a combined  
factor of 0.9995964.

- (C) denotes common property  
 SL denotes strata lot  
 (4) denotes limited common property  
 for strata lot 4 (typical)  
 (R) denotes limited common property  
 for strata lots 7 to 11 inclusive  
 D denotes deck  
 TA denotes total area  
 A denotes area  
 BS denotes bicycle storage  
 ST denotes storage  
 S denotes stairs  
 C denotes corridor  
 PA denotes parking area  
 PB denotes parking bay

- (C) denotes control monument found.  
 (P) denotes lead plug found.  
 (S) denotes standard iron post placed.  
 (L) denotes lead plug placed.  
 MR denotes mechanical room  
 ER denotes electrical room  
 FMR denotes elevator machine room  
 EC denotes electrical closet  
 E denotes elevator

MORGAN STEWART AND COMPANY

Surveyors and Engineers  
1055 Seymour St. Vancouver, B.C.  
PHONE: 687-6866 FAX: 685-8071

CIVIC ADDRESS:

3028 - 3050 WEST 41st AVENUE  
VANCOUVER, B.C.

THE ADDRESS FOR SERVICE OF DOCUMENTS  
ON THE STRATA CORPORATION IS:

THE OWNERS OF STRATA PLAN LMS  
C/O LEEDA 41 DEVELOPMENTS CORP.  
102-1668 WEST BROADWAY  
VANCOUVER, B.C.  
V6J 1X6

NAME OF DEVELOPMENT:

THE CROFTONS

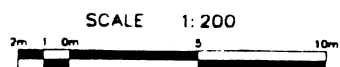
I, Richard S. Fu, of Vancouver, a British  
Columbia Land Surveyor, hereby certify that  
the buildings erected on the parcel described  
above are wholly within the external boundaries  
of that parcel. Dated at Vancouver, B.C.

this 29<sup>th</sup> day of July, 1999

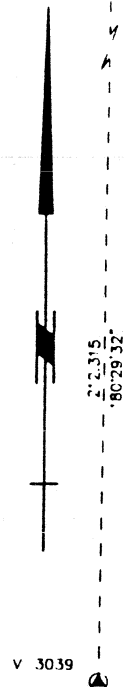
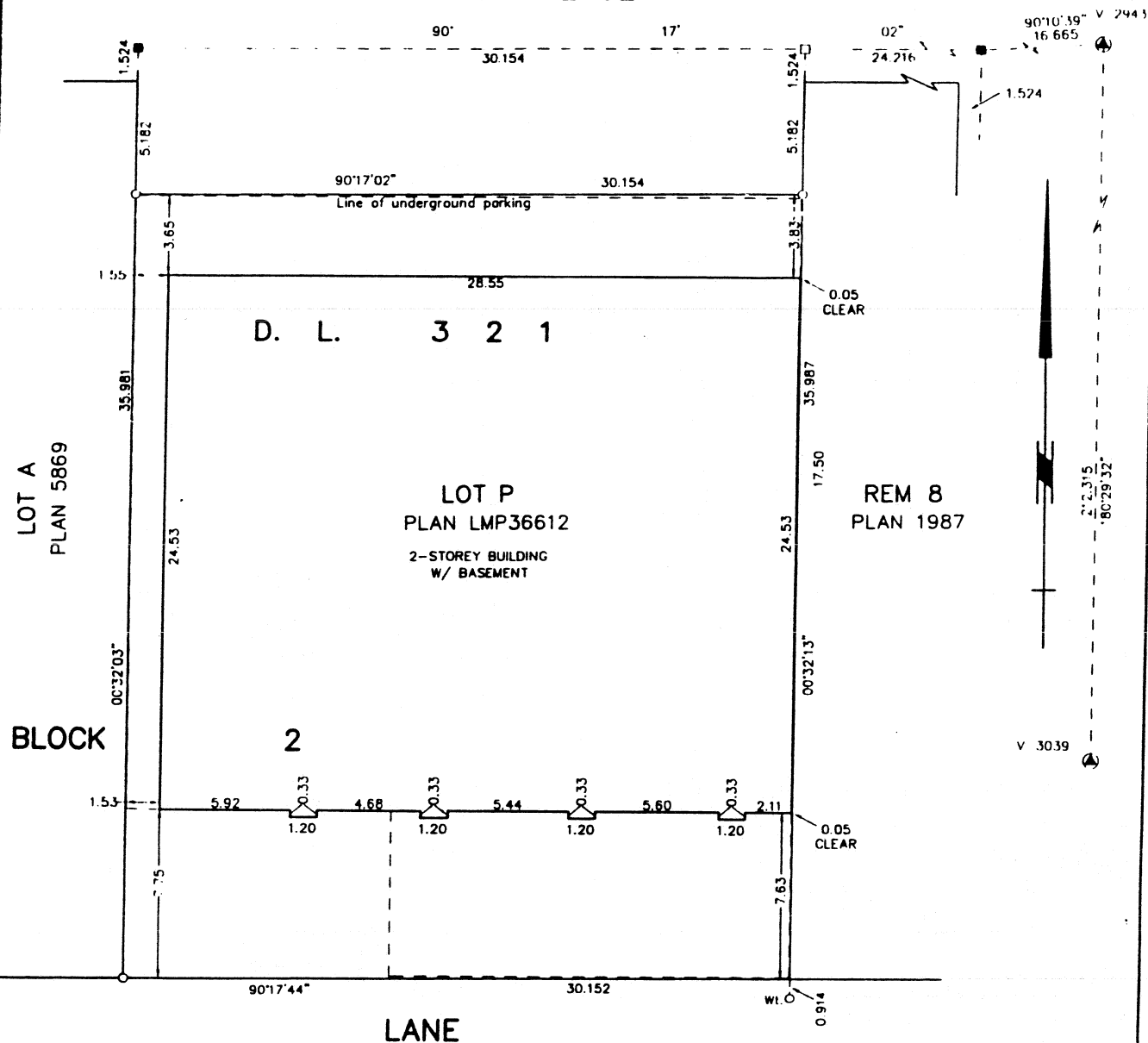
*Richard S. Fu* B.C.L.S.

# LOCATION PLAN

STRATA PLAN LMS



## WEST 41st AVENUE



MORGAN STEWART AND COMPANY  
Surveyors and Engineers  
1055-Seymour St. Vancouver, B.C.

DATE July 29, 1999 *Richard* R.C.I.S.

STRATA PLAN LMS

## CONDOMINIUM ACT


Lot No.	Sheet No.	FORM 1	FORM 2	FORM 3
		SCHEDULE OF UNIT ENTITLEMENT	SCHEDULE OF INTEREST UPON DESTRUCTION	SCHEDULE OF VOTING RIGHTS
		UNIT ENTITLEMENT	INTEREST	NUMBER OF VOTES
1	7	375	4396	0.4
2	7	648	6406	0.8
3	7	900	8792	1.1
4	7	898	8792	1.1
5	7	641	6908	0.8
6	7	629	6720	0.8
7	7	599	5338	1
8	6, 7	364	8164	1
9	6, 7	952	8164	1
10	6, 7	975	8164	1
11	8	914	8478	1
12	8	582	5338	1
13	8	580	5338	1
14	8	844	7850	1
15	8	852	8290	1
16	8	1050	10048	1
17	8	912	8792	1
AGGRAGATE		13,315	125,978	16.0

Accepted as to forms 1, 2 and 3.

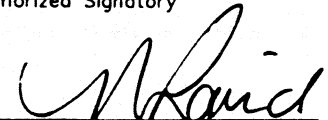
Dated this \_\_\_\_ day of \_\_\_\_\_, 1999.

Superintendent of Real Estate

MORTGAGEE AND ASSIGNMENT OF RENTS  
CANADIAN IMPERIAL BANK OF COMMERCE

Senior manager   
NAME Bernice M. Crick  
Authorized Signatory

manager   
NAME Paula L. Nicks  
Authorized Signatory

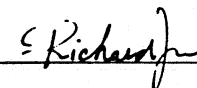
  
WITNESS AS TO BOTH SIGNATURES:  
NAME Nicole Laird  
OCCUPATION 6th Fl. 400 Burrard St.  
Vancouver B.C.  
Banker

MORGAN STEWART AND COMPANY  
Surveyors and Engineers  
1055-Seymour St. Vancouver, B.C.

I, Richard S. Fu, of Vancouver, a British Columbia  
Land Surveyor, hereby certify that the building shown in  
this strata plan has not, as of the 22nd day of July,  
1999, been previously occupied.


Dated at Vancouver, British Columbia,

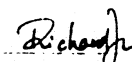
this 29<sup>th</sup> day of July, 1999.

 B.C.L.S.

OWNER:  
LEEDA 41 DEVELOPMENTS CORP.

  
NAME EDWIN LEE  
Authorized Signatory

  
WITNESS:  
NAME CAROL A. LEE  
ADDRESS 1908-925 W. Georgia St.  
Vancouver B.C.  
Barryester & Solicitor  
OCCUPATION

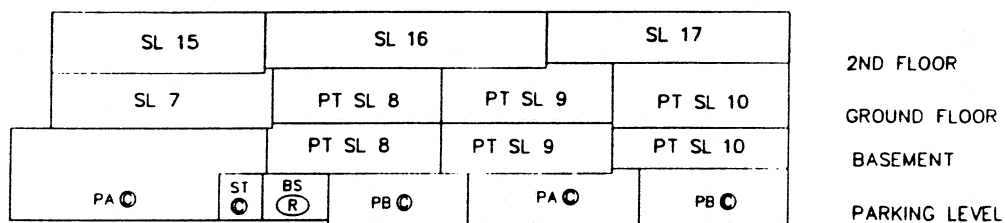
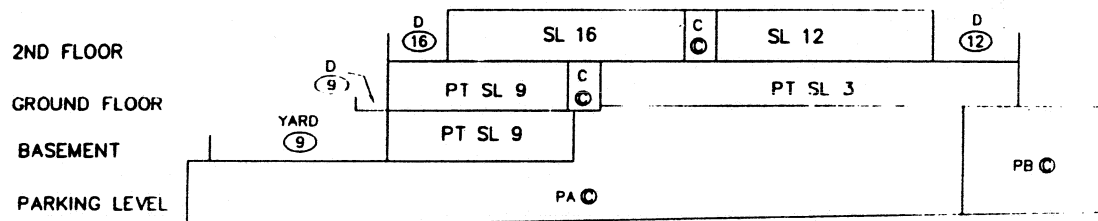
DATE July 29, 1999  B.C.L.S.



CROSS SECTIONS

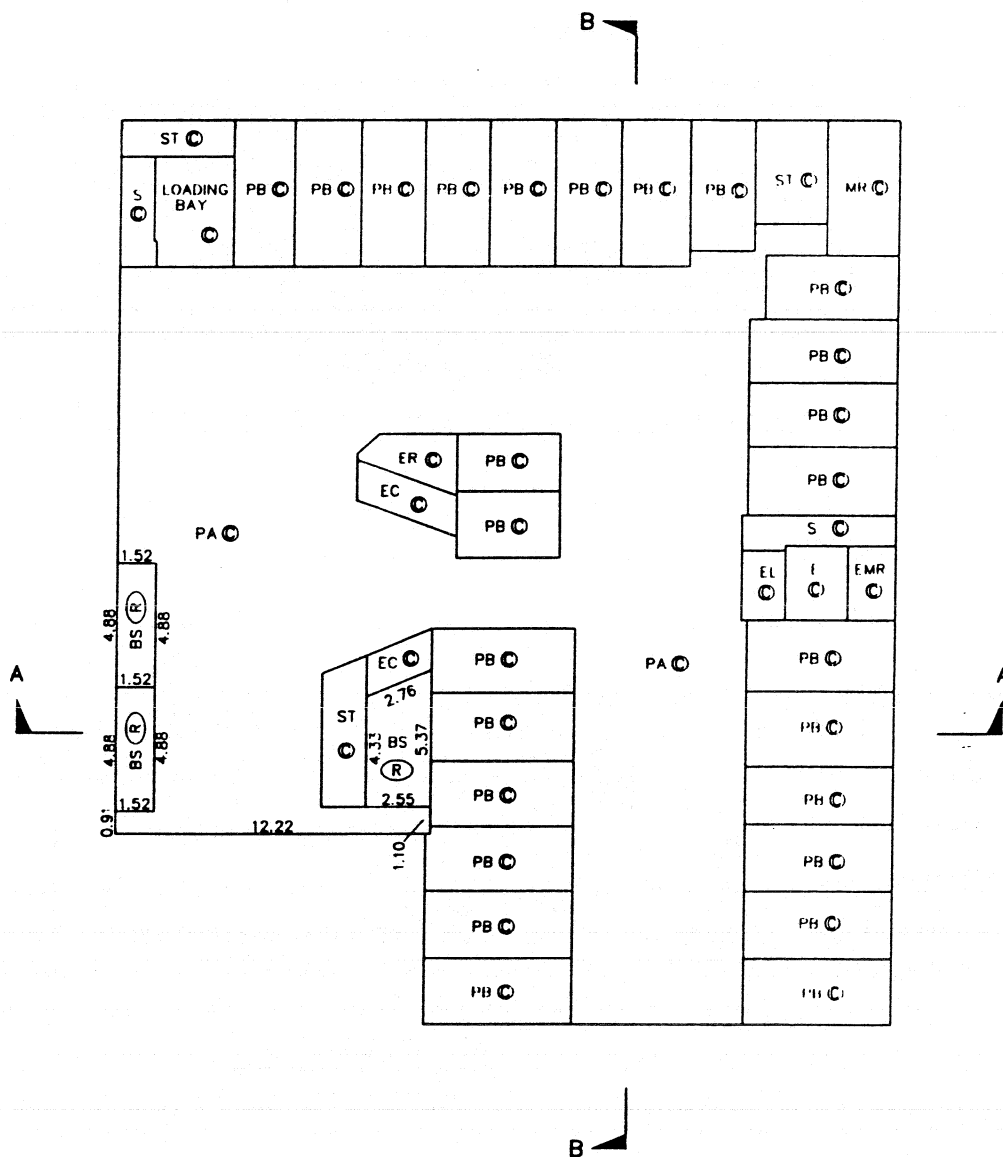
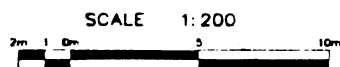
STRATA PLAN LMS

SCALE 1:200

SECTION A-ASECTION B-B

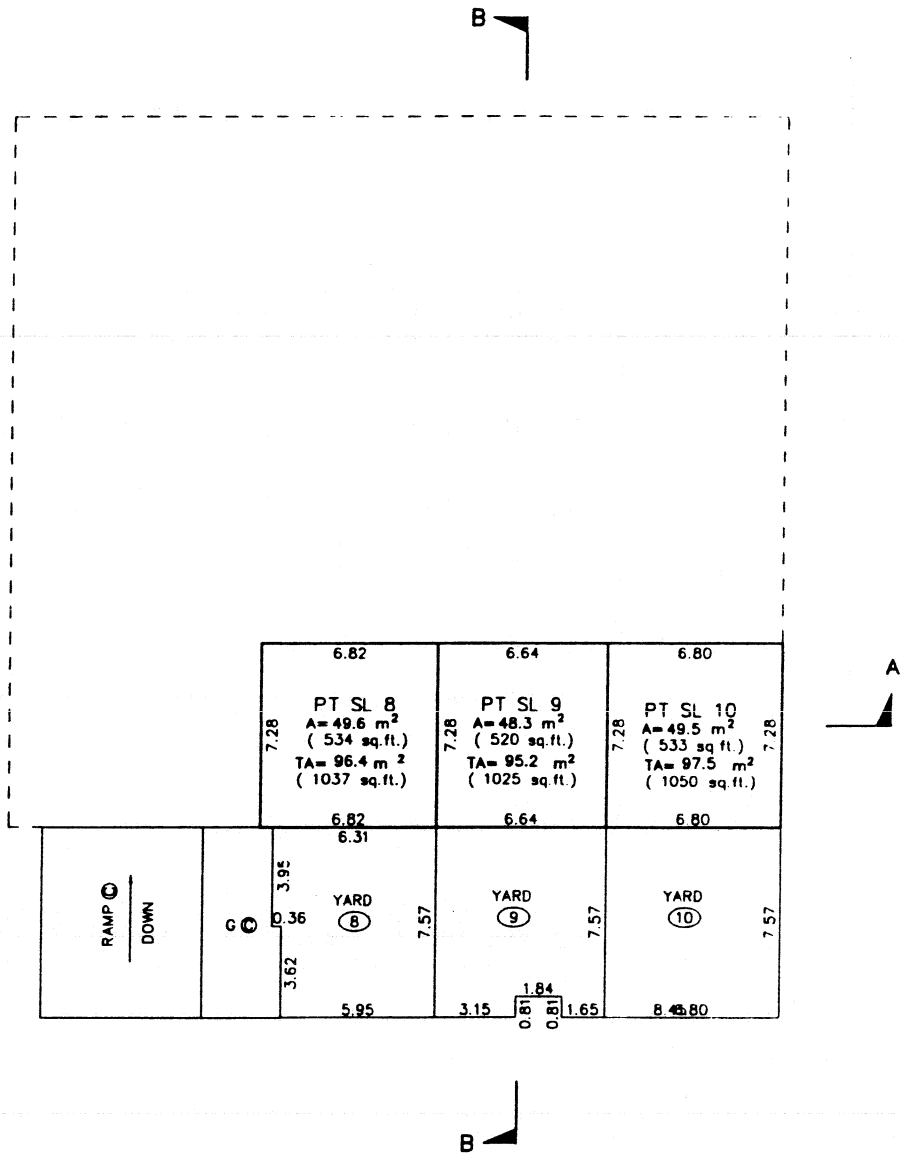
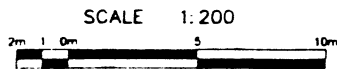
**PARKING LEVEL**

STRATA PLAN 1MS



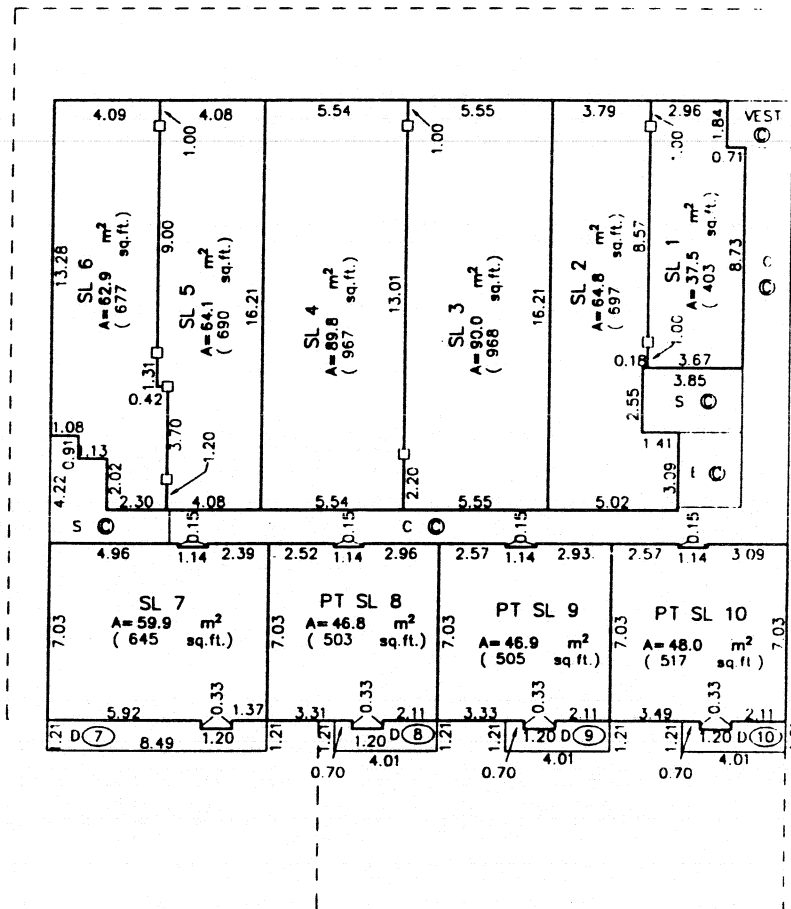
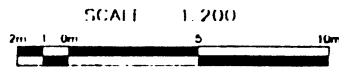
**BASEMENT**

STRATA PLAN LMS



# GROUND FLOOR

STRATA PLAN 1MS

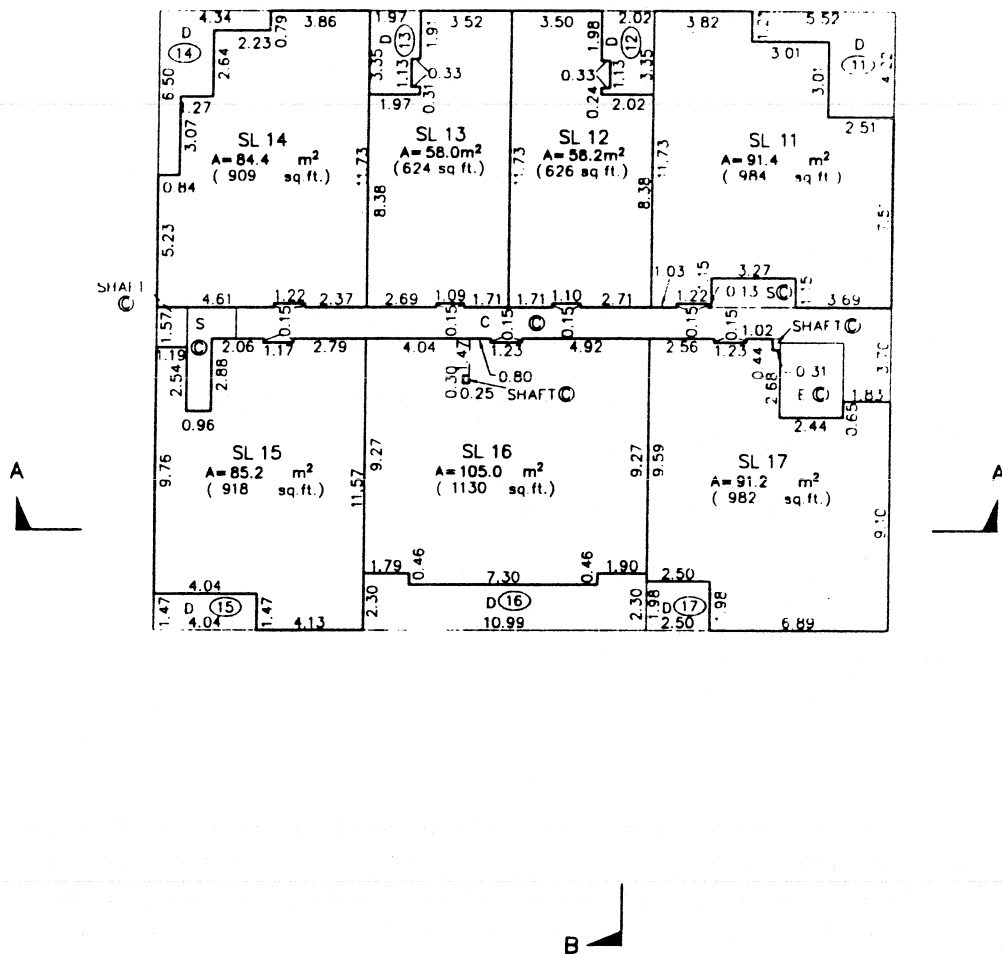
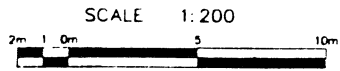


MORGAN STEWART AND COMPANY  
Surveyors and Engineers  
1055 Seymour St. Vancouver, B.C.

DATE July 24<sup>th</sup> 1999, Richard [Signature]

# 2ND FLOOR

STRATA PLAN 1MS



**EXHIBIT B**

**THE CROFTONS**

**PARKING STALL LEASE**

THIS LEASE made this \_\_\_\_\_ day of \_\_\_\_\_, 1999.

BETWEEN:

LEEDA 41 DEVELOPMENTS CORP. of 102 - 1668 West Broadway,  
Vancouver, B.C. V6J 1X6

(the "Owner")

AND:

\_\_\_\_\_  
\_\_\_\_\_  
(the "Tenant")

WITNESSES THAT WHEREAS:

A. The Owner is the registered owner of certain lands and premises located in Vancouver, British Columbia, and legally described as:

Parcel Identifier 023-802-367  
Lot P  
Block 2  
District Lot 321  
New Westminster District  
Plan LMP33612

(the "Lands")

B. The Owner has agreed to grant to the Tenant a lease to use those certain parking stalls (collectively, the "Stalls" and individually, a "Stall") shown outlined in red on the plan attached hereto as Schedule A and located in the underground parking facility within the residential/commercial retail development (the "Strata Development") developed on the Lands, 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.

C. After entering into this Lease, the Owner proposes to deposit a strata plan (the "Strata Plan") in the New Westminster/Vancouver Land Title Office (the "Land Title Office") pursuant to the *Condominium Act* (British Columbia) to create the Strata Development.

D. The Strata Plan will designate the Stalls as common property (the "Common Property") of the strata corporation (the "Strata Corporation") formed upon the deposit for registration of the Strata Plan in the Land Title Office.

E. Each of the parties to this Lease agrees that the Common Property to be created upon depositing the Strata Plan in the Land Title Office is intended to be subject to this Lease.

NOW THEREFORE in consideration of the premises and the sum of \$10.00 of lawful money of Canada now paid by the Tenant to the Owner, the receipt and sufficiency of which is hereby acknowledged by the Owner, and in consideration of the mutual promises and agreements set forth in this Lease, the parties agree each with the other as follows:

## **ARTICLE 1**

### **GRANT AND TERM**

**1.01**        **Grant.** The Owner hereby leases to the Tenant for the Term (as defined in section 1.02) all of the Stalls, subject to the provisions of this Lease.

**1.02**        **Term.** The term (the "Term") of this Lease shall commence on the \_\_\_\_ day of \_\_\_\_\_, 1999 and terminate on the earlier date of:

- (a) the date the Strata Corporation is dissolved;
- (b) the date the Strata Corporation files a notice of destruction in the prescribed form with the Registrar of the Land Title Office following the destruction or deemed destruction of the buildings in which the Stalls are located; and
- (c) the date this Lease is superseded pursuant to section 5.02.

For the purposes of this provision, the amalgamation of the Strata Corporation with another strata corporation will not be considered a dissolution of the Strata Corporation.

**1.03**        **Rent.** The parties to this Lease acknowledge that the sum of \$10.00 now paid by the Tenant to the Owner will be the only payment required to be paid to the Owner by either the Tenant or any assignee of a partial assignment under this Lease for the use and enjoyment of a Stall.

## **ARTICLE 2**

### **SUBDIVISION BY STRATA PLAN**

**2.01**        **Strata Plan.** Upon the deposit of the Strata Plan in the Land Title Office, the Owner will cause the Strata Corporation to enter into an agreement in a form reasonably required by the Owner pursuant to which the Owner will assign to the Strata Corporation all of its right, title and benefit hereunder, and the Strata Corporation will assume all of the covenants and obligations of the Owner under this Lease, as the representative of the owners of strata lots within the Strata Development (collectively, the "Strata Lots" and individually a "Strata Lot"), and which will provide that, upon execution thereof, the Owner will be absolutely released from any obligations or liabilities hereunder and no longer entitled to the benefit of any rights hereunder.

**2.02**            **Common Property.** 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.

### **ARTICLE 3**

#### **USE**

**3.01**            **Use.** The Tenant will be free in addition to the right of partial assignment as set out below, to use any one or more of the Stalls within operation by the Tenant as a commercial paid parking facility, open to the general public, including the guests, owners, tenants and customers of the Strata Lots designated as commercial strata lots, on an hourly, daily and monthly basis, with the proceeds therefrom being retained by the Tenant.

### **ARTICLE 4**

#### **INGRESS AND EGRESS**

**4.01**            The Tenant, its successors and permitted assigns, and members of the general public where herein contemplated, shall at all times have full ingress and egress, upon registration of the Strata Plan, over the portions of the Common Property as may be necessary in order to access and use the Stalls as to vehicular and pedestrian requirements.

### **ARTICLE 5**

#### **MAINTENANCE AND ENCUMBRANCES**

**5.01**            **Maintenance.** The Owner confirms that until the deposit for registration of the Strata Plan, the Owner shall be solely responsible for the control, management and administration of the Storage Areas but thereafter, pursuant to section 2.01 of this Lease, the Strata Corporation will assume full responsibility for the control, management and administration of the Parking Stalls as Common Property in accordance with the provisions of the *Condominium Act* (British Columbia) and may pass bylaws or make rules and regulations with respect to the Parking Stalls 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.

**5.02**            **Alterations.** The Tenant, its successors and permitted assigns, are not entitled to alter or to perform any repairs of any sort whatsoever to the Parking Stalls. Any such alterations or repairs are the sole responsibility of the Owner prior to the deposit of the Strata Plan, and thereafter of the Strata Corporation.

**5.03**            **Subordination.** The Tenant agrees to subordinate its interest pursuant to this Lease to any financial encumbrance registered by the Owner against the Lands.

**5.04**            **No Right to Encumber.** The Tenant, its successors and permitted assigns, are not entitled to mortgage, charge, pledge or otherwise grant their interest in any Stall as security to any person.



**ARTICLE 6**  
**ASSIGNMENT**

**6.01**        **Partial Assignments.** The Tenant may partially assign this Lease and its rights under this Lease pertaining to particular Stalls to purchasers of Strata Lots or to the Strata Corporation. Any such assignment will be for such consideration as the Tenant may in its sole discretion determine, which consideration may be retained by the Tenant for its own benefit. Any partial assignment by the Tenant, or by any subsequent assignee, of this Lease and its rights under this Lease pertaining to a particular Stall:

- (a)        will be absolute, and the assignee and its guests, lessees, successors and permitted assigns will be entitled to the use and enjoyment of the Stall 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 unless the assignment is to the Strata Corporation or to \_\_\_\_\_ if the assignor is a person other than \_\_\_\_\_;
- (c)        may only be reassigned to an owner or purchaser of a Strata Lot, to the Strata Corporation \_\_\_\_\_ if the assignor is a person other than \_\_\_\_\_; and
- (d)        will not be effective until written notice of such assignment (together with a copy of such assignment if available) is delivered by the assignee to the Strata Corporation, subject to section 4.02 of this Lease.

**6.02**        **Automatic Assignment.** If a holder of an interest in a Stall transfers all of his or her interest in a Strata Lot to which such Stall is at such time appurtenant as shown on the register maintained under section 4.07, without concurrently executing an assignment of such Stall to another owner or purchaser of a Strata Lot, then the interest of such holder in such Stall (including the Tenant) will be deemed to have been automatically assigned to and assumed by the purchaser of such Strata Lot without execution of a partial assignment of this Lease with respect to such Stall or delivery of notice of such partial assignment to the Strata Corporation.

**6.03**        **Exchanges and Transfers.**

- (a)        A holder of an interest (the "First Owner" in this subsection) in a Stall (the "First Stall") may exchange his or her interest in the First Stall with the holder (including the Tenant) of an interest (the "Second Owner") in this subsection) in a different stall (the "Second Stall") 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, and the Second Owner partially assigning this Lease to the First Owner in respect of the Second Stall. The First Owner and the Second Owner will each execute a partial assignment of this Lease in favour of the other substantially in the form attached hereto as Schedule B. The exchange will be on the terms set out in subsections 4.01(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 4.02 will not apply to exchanges under this subsection 4.03(a).

- (b) A holder of an interest (the "First Owner" in this subsection) in a Stall may transfer his or her interest in such Stall to an owner of a strata lot within the Strata Development, the Tenant or the Strata Corporation (the "Second Owner" in this subsection) for such consideration as the First Owner may in his or her discretion determine. 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 in favour of the Second Owner substantially in the form attached hereto as Schedule B. The transfer will be on the terms set out in subsections 4.01(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 4.02 will not apply to transfers under this subsection 4.03(b).

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

**6.05**        **Form of Partial Assignments.** Subject to section 4.02, all partial assignments of this Lease shall be substantially in the form attached hereto as Schedule B.

**6.06**        **Release of Assignors.** Upon the partial assignment (including an automatic assignment pursuant to section 4.02) of this Lease pertaining to a particular Stall, the Tenant and any subsequent assignor of an interest in such Stall will be automatically and absolutely released from any obligations or liabilities under this Lease pertaining to such Stall.

**6.07**        **Register of Partial Assignments.** The Owner will maintain a register of all Stalls and will record on such register each partial assignment of this Lease, indicating:

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

Upon request by any the Owner or prospective purchaser of a Strata Lot, the Owner will provide a certificate, within 7 days of receipt of such request, certifying the name and address of the Owner to whom a particular Stall is assigned and the number of the Strata Lot to which such Stall is at the time appurtenant. The Owner may require a fee of not more than \$10.00, or a greater amount reasonably prescribed by the Owner, from the person requesting such certificate. Upon the Owner becoming aware of a partial assignment pertaining to a particular Stall under section 4.01 or 4.02, the Owner will amend the register accordingly.



THE COMMON SEAL OF \_\_\_\_\_ )  
was hereunto affixed in the presence of: )

\_\_\_\_\_  
Title: )

c/s

**SCHEDULE A**  
**THE CROFTONS**  
**PARKING STALL LAYOUT**

EXPLANATORY PLAN OF LEASEHOLD AREAS OVER  
PORTIONS OF PARKING LEVEL OF A 2 STOREY  
BUILDING SITUATED ON LOT P OF LOT 6 AND 7,  
BLOCK 1 TO 3, DISTRICT LOT 321,  
NEW WESTMINSTER DISTRICT, PLAN LMP33612

PLAN LMP

Deposited and registered in the Land  
Title Office at New Westminster, BC  
this day of , 1999.

Registrar

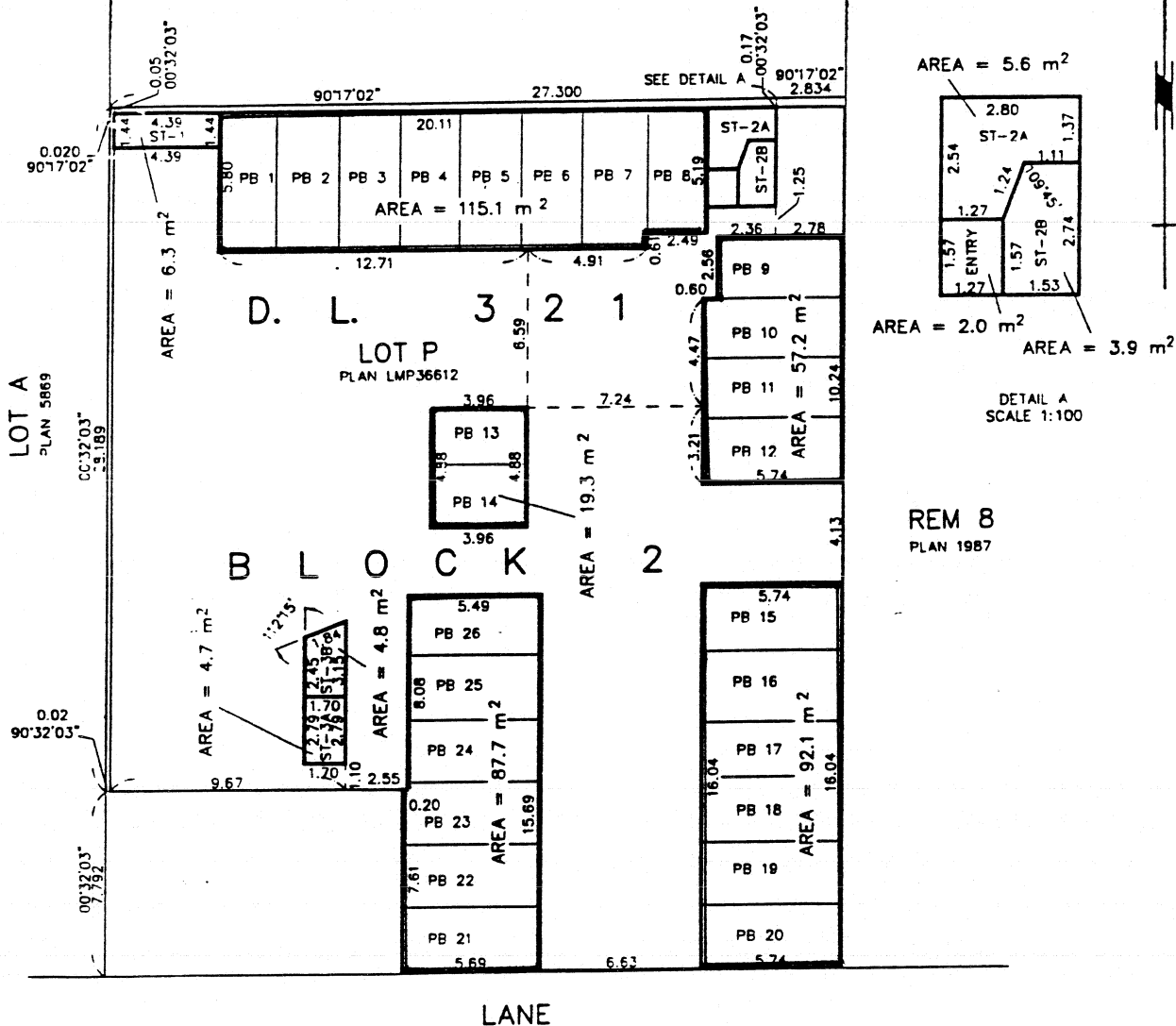
BCGS 92G.034

SCALE 1:200



This plan lies within the Greater Vancouver Regional District

WEST 41st AVENUE



**LEGEND:**

Bearings are Grid bearings and are derived from Plan LMP33612  
All angles are 45° or 90° unless otherwise noted.  
ST denotes storage  
PA denotes parking area  
PB denotes parking bay

Certified correct according to Land Title  
Office records.  
Dated this 4th day of October, 1999.

MORGAN STEWART AND COMPANY  
Surveyors and Engineers  
1055 Seymour St. Vancouver, B.C.  
PHONE 687-6866 FAX 685-8071

*Richard*

B.C.L.S.

## THE CROFTONS

BETWEEN: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, (the "Assignor")

AND: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, (the "Assignee")

5. **Acknowledgement.** The Assignee acknowledges having received a copy of the Lease and agrees to be fully bound by its terms insofar as it is applicable to the Stall(s).

6. **Enurement.** This Assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

The parties have executed this Assignment effective as of the \_\_\_\_ day of \_\_\_\_\_, 1999.

\_\_\_\_\_  
Assignor

\_\_\_\_\_  
Assignee



**EXHIBIT C**  
**THE CROFTONS**  
**STORAGE LEASE**

THIS LEASE made this \_\_\_\_\_ day of \_\_\_\_\_, 1999.

BETWEEN:

LEEDA 41 DEVELOPMENTS CORP. of 102 - 1668 West Broadway,  
Vancouver, B.C. V6J 1X6

(the "Owner")

AND:

\_\_\_\_\_  
\_\_\_\_\_

(the "Tenant")

WITNESSES THAT WHEREAS:

A. The Owner is the registered owner of certain lands and premises located in Vancouver, British Columbia, and legally described as:

Parcel Identifier 023-802-367  
Lot P  
Block 2  
District Lot 321  
New Westminster District  
Plan LMP33612

(the "Lands")

B. The Owner has agreed to grant to the Tenant a lease to use certain storage areas (collectively, the "Storage Areas" and individually, a "Storage Area") shown outlined in red on the plan attached hereto as Schedule A and located in the underground parking facility within the residential/commercial retail development (the "Strata Development") developed on the Lands, 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 Storage Areas.

C. After entering into this Lease, the Owner proposes to deposit a strata plan (the "Strata Plan") in the New Westminster/Vancouver Land Title Office (the "Land Title Office") pursuant to the *Condominium Act* (British Columbia) to create the Strata Development.

D. The Strata Plan will designate the Storage Areas as common property (the "Common Property") of the strata corporation (the "Strata Corporation") formed upon the deposit for registration of the Strata Plan in the Land Title Office.

E. Each of the parties to this Lease agrees that the Common Property to be created upon depositing the Strata Plan in the Land Title Office is intended to be subject to this Lease.

NOW THEREFORE in consideration of the premises and the sum of \$10.00 of lawful money of Canada now paid by the Tenant to the Owner, the receipt and sufficiency of which is hereby acknowledged by the Owner, and in consideration of the mutual promises and agreements set forth in this Lease, the parties agree each with the other as follows:

## **ARTICLE 1**

### **GRANT AND TERM**

**1.01**        **Grant.** The Owner hereby leases to the Tenant for the Term (as defined in section 1.02) all of the Storage Areas, subject to the provisions of this Lease.

**1.02**        **Term.** The term (the "Term") of this Lease shall commence on the \_\_\_\_\_ day of \_\_\_\_\_, 1999 and terminate on the earlier date of:

- (a) the date the Strata Corporation is dissolved;
- (b) the date the Strata Corporation files a notice of destruction in the prescribed form with the Registrar of the Land Title Office following the destruction or deemed destruction of the buildings in which the Storage Areas are located; and
- (c) the date this Lease is superseded pursuant to section 5.02.

For the purposes of this provision, the amalgamation of the Strata Corporation with another strata corporation will not be considered a dissolution of the Strata Corporation.

**1.03**        **Rent.** The parties to this Lease acknowledge that the sum of \$10.00 now paid by the Tenant to the Owner will be the only payment required to be paid to the Owner by either the Tenant or any assignee of a partial assignment under this Lease for the use and enjoyment of a Storage Area.

## **ARTICLE 2**

### **SUBDIVISION BY STRATA PLAN**

**2.01**        **Strata Plan.** Upon the deposit of the Strata Plan in the Land Title Office, the Owner will cause the Strata Corporation to enter into an agreement in a form reasonably required by the Owner pursuant to which the Owner will assign to the Strata Corporation all of its right, title and benefit hereunder, and the Strata Corporation will assume all of the covenants and obligations of the Owner under this Lease, as the representative of the owners of strata lots within the Strata Development (collectively, the "Strata Lots" and individually a "Strata Lot"), and which will provide that, upon execution thereof, the Owner will be absolutely released from any obligations or liabilities hereunder and no longer entitled to the benefit of any rights hereunder.

**2.02**            **Common Property.** 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.

### **ARTICLE 3** **MAINTENANCE AND ENCUMBRANCES**

**3.01**            **Maintenance.** The Owner confirms that until the deposit for registration of the Strata Plan, the Owner shall be solely responsible for the control, management and administration of the Storage Areas but thereafter, pursuant to section 2.01 of this Lease, the Strata Corporation will assume full responsibility for the control, management and administration of the Storage Areas as Common Property in accordance with the provisions of the *Condominium Act* (British Columbia) and may pass bylaws or make rules and regulations with respect to the Storage Areas 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.

**3.02**            **Alterations.** The Tenant, its successors and permitted assigns, are not entitled to alter or to perform any repairs of any sort whatsoever to the Storage Areas. Any such alterations or repairs are the sole responsibility of the Owner prior to the deposit of the Strata Plan, and thereafter of the Strata Corporation.

**3.03**            **Subordination.** The Tenant agrees to subordinate its interest pursuant to this Lease to any financial encumbrance registered by the Owner against the Lands.

**3.04**            **No Right to Encumber.** The Tenant, its successors and permitted assigns, are not entitled to mortgage, charge, pledge or otherwise grant their interest in any Storage Area as security to any person.

### **ARTICLE 4** **ASSIGNMENT**

**4.01**            **Partial Assignments.** The Tenant may partially assign this Lease and its rights under this Lease pertaining to particular Storage Areas to purchasers of Strata Lots or to the Strata Corporation. Any such assignment will be for such consideration as the Tenant may in its sole discretion determine, which consideration may be retained by the Tenant for its own benefit. Any partial assignment by the Tenant, or by any subsequent assignee, of this Lease and its rights under this Lease pertaining to a particular Storage Area :

- (a)            will be absolute, and the assignee and its guests, lessees, successors and permitted assigns will be entitled to the use and enjoyment of the Storage Area 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 unless the assignment is to the Strata Corporation or to \_\_\_\_\_ if the assignor is a person other than \_\_\_\_\_;
- (c)            may only be reassigned to an owner or purchaser of a Strata Lot, to the Strata Corporation \_\_\_\_\_ if the assignor is a person other than \_\_\_\_\_; and

- (d) will not be effective until written notice of such assignment (together with a copy of such assignment if available) is delivered by the assignee to the Strata Corporation, subject to section 4.02 of this Lease.

**4.02        Automatic Assignment.** If a holder of an interest in a Storage Area transfers all of his or her interest in a Strata Lot to which such Storage Area is at such time appurtenant as shown on the register maintained under section 4.07, without concurrently executing an assignment of such Storage Area to another owner or purchaser of a Strata Lot, then the interest of such holder in such Storage Area (including the Tenant) will be deemed to have been automatically assigned to and assumed by the purchaser of such Strata Lot without execution of a partial assignment of this Lease with respect to such Storage Area or delivery of notice of such partial assignment to the Strata Corporation.

**4.03        Exchanges and Transfers.**

- (a) A holder of an interest (the "First Owner" in this subsection) in a Storage Area (the "First Storage Area ") may exchange his or her interest in the First Storage Area with the holder (including the Tenant) of an interest (the "Second Owner") in this subsection) in a different Storage Area (the "Second Storage Area ") 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 Storage Area , and the Second Owner partially assigning this Lease to the First Owner in respect of the Second Storage Area . The First Owner and the Second Owner will each execute a partial assignment of this Lease in favour of the other substantially in the form attached hereto as Schedule B. The exchange will be on the terms set out in subsections 4.01(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 4.02 will not apply to exchanges under this subsection 4.03(a).
- (b) A holder of an interest (the "First Owner" in this subsection) in a Storage Area may transfer his or her interest in such Storage Area to an owner of a strata lot within the Strata Development, the Tenant or the Strata Corporation (the "Second Owner" in this subsection) for such consideration as the First Owner may in his or her discretion determine. 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 in favour of the Second Owner substantially in the form attached hereto as Schedule B. The transfer will be on the terms set out in subsections 4.01(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 4.02 will not apply to transfers under this subsection 4.03(b).

**4.04        Consents.** The consent of the Owner will not be required for any partial assignment of this Lease. The Owner 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.

**4.05        Form of Partial Assignments.** Subject to section 4.02, all partial assignments of this Lease shall be substantially in the form attached hereto as Schedule B.

**4.06        Release of Assignors.** Upon the partial assignment (including an automatic assignment pursuant to section 4.02) of this Lease pertaining to a particular Storage Area , the Tenant and any

subsequent assignor of an interest in such Storage Area will be automatically and absolutely released from any obligations or liabilities under this Lease pertaining to such Storage Area .

**4.07            Register of Partial Assignments.** The Owner will maintain a register of all Storage Areas and will record on such register each partial assignment of this Lease, indicating:

- (a)     the number of the Storage Area assigned;
- (b)     the date of assignment;
- (c)     the name and address of the assignee; and
- (d)     the number of the Strata Lot owned by the assignee to which such Storage Area is at the time appurtenant, unless the assignee is the Owner or the Strata Corporation in which event the Storage Area need not be appurtenant to a Strata Lot.

Upon request by any the Owner or prospective purchaser of a Strata Lot, the Owner will provide a certificate, within 7 days of receipt of such request, certifying the name and address of the Owner to whom a particular Storage Area is assigned and the number of the Strata Lot to which such Storage Area is at the time appurtenant. The Owner may require a fee of not more than \$10.00, or a greater amount reasonably prescribed by the Owner, from the person requesting such certificate. Upon the Owner becoming aware of a partial assignment pertaining to a particular Storage Area under section 4.01 or 4.02, the Owner will amend the register accordingly.

## **ARTICLE 5**

### **MISCELLANEOUS**

**5.01            No Registration.** No partial assignment of this Lease shall be registrable by either party in any Land Title Office.

**5.02            Supersession of Lease.** If the Strata Corporation deems it appropriate, it may by special resolution supersede this Lease and grant to all persons shown then as assignees in the Strata Corporation's register of partial assignments maintained pursuant to section 4.07 above, the exclusive right to use their respective Storage Areas which are substantially similar to the rights granted to such persons through partial assignments of this Lease, provided that the Strata Corporation may not do so until the Tenant has partially assigned this Lease in respect of all of the Storage Areas.

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

**5.04            Definitions.** Any term defined in the recitals to this Lease will have the same meaning throughout this Lease unless otherwise redefined.

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

IN WITNESS WHEREOF the parties hereto have executed this Lease by their respective duly authorized officers.

THE COMMON SEAL OF LEEDA 41            )  
DEVELOPMENTS CORP. was hereunto affixed )  
in the presence of:                                )

\_\_\_\_\_  
Title:    )

c/s

THE COMMON SEAL OF \_\_\_\_\_ )  
was hereunto affixed in the presence of: )  
   )  
   )  
   )  
   )  
   )

\_\_\_\_\_  
Title:    )

c/s

**SCHEDULE A**

**THE CROFTONS**

**STORAGE AREA LAYOUT**

EXPLANATORY PLAN OF LEASEHOLD AREAS OVER  
PORTIONS OF PARKING LEVEL OF A 2 STOREY  
BUILDING SITUATED ON LOT P OF LOT 6 AND 7,  
BLOCK 1 TO 3, DISTRICT LOT 321,  
NEW WESTMINSTER DISTRICT, PLAN LMP33612

PLAN LMP

Deposited and registered in the Land  
Title Office at New Westminster, BC  
this day of , 1999.

Registrar

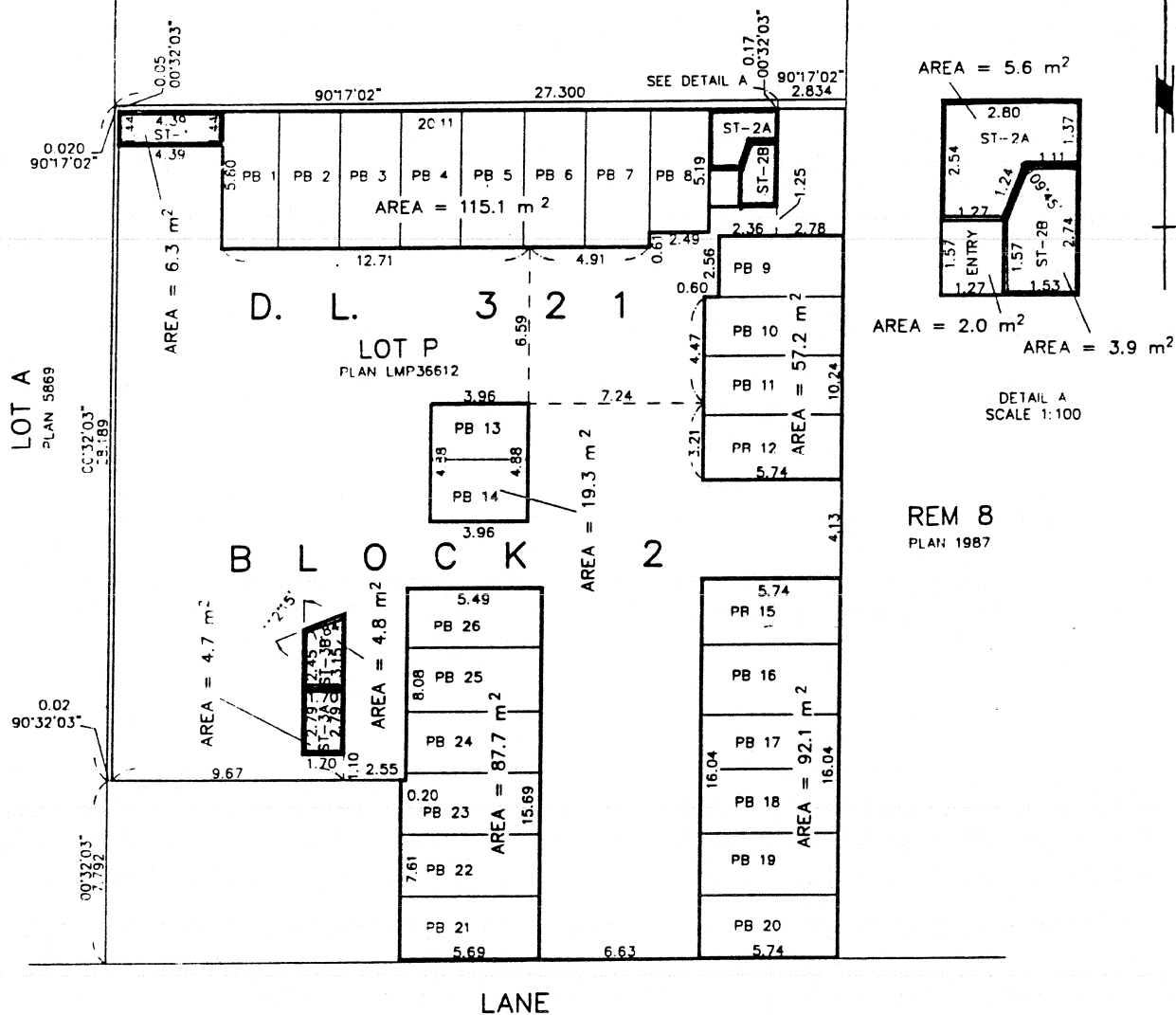
BCGS 92G.034

SCALE 1:200



This plan lies within the Greater Vancouver Regional District

WEST 41st AVENUE



LEGEND:

Bearings are Grid bearings and are derived from Plan LMP33612  
All angles are 45° or 90° unless otherwise noted.  
ST denotes storage  
PA denotes parking area  
PB denotes parking bay

Certified correct according to Land Title  
Office records.  
Dated this 4th day of October, 1999.

MORGAN STEWART AND COMPANY  
Surveyors and Engineers  
1055 Seymour St. Vancouver, B.C.  
PHONE 687-6866 FAX 685-8071

*Richard*

B.C.L.S.



**SCHEDULE B**

**THE CROFTONS**

**STORAGE AREA ASSIGNMENT**

BETWEEN: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, (the "Assignor")

AND: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, (the "Assignee")

RE:           Parking Storage Area(s) no(s). \_\_\_\_\_ (the "Storage Area(s)") in \_\_\_\_\_  
                  (the "Development")

WHEREAS the Assignor is the lessee of the Storage Area(s) and the Assignee is either **[NAME OF STRATA CORPORATION]** (the "Strata Corporation") or the registered Owner or purchaser of strata lot \_\_\_\_ (the "Strata Lot") in the Development.

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

1.           **Assignment.** The Assignor hereby assigns to the Assignee its partial interest in the lease (the "Lease") dated the \_\_\_\_\_ day of \_\_\_\_\_, 1999 made between Leeda 41 Developments Corp. as the Owner, and \_\_\_\_\_, as tenant, pertaining to the right to use the Storage Area(s) for the balance of the Term (as defined in the Lease). Subject to section 4.02 of the Lease, this Assignment will not be effective until the Assignee has given a copy of this Assignment to the Strata Corporation.
2.           **Assignment Contingent Upon Strata Lot Ownership.** Unless the Assignee is the Strata Corporation or Leeda 41 Developments Corp., the Assignee, its successors, permitted assigns, heirs, executors or administrators shall only be entitled to the rights with respect to the Storage Area(s) for as long as the Assignee owns the Strata Lot.
3.           **Compliance.** The Assignee agrees to use the Storage Area(s) 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.
4.           **Sale or Disposition.** The Assignee may only assign its rights under this Assignment to the Strata Corporation, Leeda 41 Developments Corp., a purchaser of the Strata Lot or to another owner of a strata lot within the Development.
5.           **Acknowledgement.** The Assignee acknowledges having received a copy of the Lease and agrees to be fully bound by its terms insofar as it is applicable to the Storage Area(s).

6. **Enurement.** This Assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

The parties have executed this Assignment effective as of the \_\_\_\_ day of \_\_\_\_\_, 1999.

---

Assignor

---

Assignee

## **EXHIBIT D**

### **BYLAWS**

#### **CONDOMINIUM BYLAWS**

##### **PART 5 BYLAWS**

###### **Duties of owner**

**1. In these Bylaws:**

- (1) "Commercial Strata Lots" means strata lots 1 through 6, inclusive and "Commercial Strata Lot" means any one of them; and**
- (2) "Residential Strata Lots" means strata lots 7 through 17, inclusive and "Residential Strata Lot" means any one of them.**

###### **Owner's Duties**

**2. An Owner shall:**

- (1) permit the Strata Corporation and its agents, at all reasonable times on notice, except in case of emergency, when no notice is required, to enter his strata lot for the purpose of inspecting the same and maintaining, repairing or renewing pipes, wires, cables and ducts for the time being existing in the strata lot and capable of being used in connection with the enjoyment of any other strata lot or common property, or for the purpose of maintaining, repairing or renewing common property, common facilities or other assets of the Strata Corporation, or for the purpose of ensuring that the Bylaws and rules and regulations of the Strata Corporation are being observed and performed;**
- (2) promptly carry out all work that may be ordered by any competent public or local authority in respect of his strata lot other than work for the benefit of the building generally, and pay all rates, taxes, charges, outgoings and assessment that may be payable in respect of his strata lot;**
- (3) repair and maintain his strata lot, including windows and doors, and areas allocated to his exclusive use, and keep them in a state of good repair, reasonable wear and tear excepted;**
- (4) use and enjoy the common property, common facilities or other assets of the Strata Corporation in a manner that will not unreasonably interfere with their use and enjoyment by other owners, their families or visitors;**
- (5) not use his strata lot, or permit the same to be used, in a manner or for a purpose that will cause a nuisance or hazard to any occupier of a strata lot, whether an owner or not, or his family;**

- (6) notify the Strata Corporation promptly of any change of ownership or of any mortgage or other dealing in connection with his strata lot;
- (7) comply strictly with these Bylaws, and all other bylaws of the Strata Corporation, and with rules and regulations adopted by the Strata Corporation, from time to time; and
- (8) receive the written permission of the strata council before undertaking alterations to the exterior or structure of the strata lot, but permission shall not be unreasonably withheld.

#### Duties of Strata Corporation

#### 3. The Strata Corporation shall:

- (1) control, manage and administer the common property, common facilities or other assets of the Strata Corporation for the benefit of all owners;
- (2) keep in a state of good and serviceable repair and properly maintain the fixtures and fittings, and other apparatus and equipment used in connection with the common property, common facilities or other assets of the Strata Corporation;
- (3) maintain all common areas, both internal and external, excluding parking areas, public halls and lobbies;
- (4) maintain and repair, including renewal where reasonably necessary, pipes, wires, cables, chutes and ducts for the time being existing in the parcel and capable of being used in connection with the enjoyment of common property;
- (5) on the written request of an owner or mortgagee of a strata lot, produce to him or a person authorized in writing by him the insurance policies effected by the Strata Corporation and the receipts for the last premiums;
- (6) maintain and repair the exterior of the building, excluding windows, doors, balconies and patios included in limited common property attributed to a particular strata lot, including the decorating of the whole of the exterior of the building;
- (7) collect and receive all contributions toward the Common Expenses levied by the Strata Corporation and paid by the owners and deposit the same with a chartered bank or trust company or credit union or financial institution established by the government;
- (8) pay all sums of money properly required to be paid on account of all services, supplies and assessments pertaining to, or for the benefit of, the Strata Corporation;
- (9) maintain the common property (excluding limited common property appurtenant to a particular strata lot) in a healthful and attractive condition; and

- (10) where the owner's interest is subject to a registered mortgage which entitles the mortgagee to receive notices of all meetings, minutes, financial statements and documents of a similar nature of the Strata Corporation, the Strata Corporation shall upon the request of the mortgagee deliver such notices to the mortgagee at such address as the mortgagee shall specify in writing.

#### Powers of Strata Corporation

4. The Strata Corporation may:

- (1) purchase, hire or otherwise acquire personal property for use by owners in connection with their enjoyment of common property, common facilities or other assets of the Strata Corporation;
- (2) borrow money required by it in the performance of its duties or the exercise of its powers;
- (3) secure the repayment of money borrowed by it, and the payment of interest, by negotiable instrument or mortgage of unpaid contributions, whether levied or not, or mortgage of any property vested in it, or by combination of those means;
- (4) invest as it may determine in separate accounts money in the fund for administrative expenses, or in the contingency reserve fund;
- (5) make an agreement with an owner or occupier of a strata lot for the provision of amenities or services by it to the strata lot or to the owner or occupier;
- (6) grant an owner the right to exclusive use and enjoyment of common property, or special privileges for them, the grant to be determinable on reasonable notice, unless the Strata Corporation by unanimous resolution otherwise resolves;
- (7) designate an area as limited common property and the strata lots that are to have the use of such limited common property;
- (8) make rules and regulations it considers necessary or desirable from time to time in relation to the enjoyment, safety and cleanliness of the common property, common facilities or other assets of the Strata Corporation;
- (9) do all things necessary for the enforcement of the bylaws and the rules and regulations of the Strata Corporation, and for the control, management and administration of the common property, common facilities or other assets of the Strata Corporation, generally, including removing privileges for the use of certain facilities, or fixing and collecting fines for contravention of the bylaws, rules and regulations;
- (10) subject to the Condominium Act, determine the levy for the contingency reserve fund which shall be not less than 5% of the total annual budget, until the reserve reaches an amount that the Strata Council considers sufficient having regard to the type of buildings in the Strata

Plan, and thereafter raise further amount of replacements of funds from time to time and over a period of time as the Strata Council thinks fit;

- (11) join an organization serving the interest of the Strata Corporation and assess the membership fee in the organization as part of the Common Expenses; and
- (12) set up and maintain a contingency reserve fund to be assessed and used as is the contingency reserve fund for the Strata Corporation.

#### Strata Council

- 5. (i) The powers and duties of the Strata Corporation shall, subject to any restriction imposed or direction given at a general meeting, be exercised and performed by the council of the Strata Corporation.
- (ii) The owner-developer shall exercise the powers and duties of the strata council until a council is elected by the owners.
- (iii) A council shall be elected at the first annual general meeting of the owners called by the owner-developer under Bylaw 10.
- (iv) The owners of the Commercial Strata Lots shall elect 3 members to the council and the owners of the Residential Strata Lots shall elect 2 members to the council which shall consist of not less than 3 or more than 7 members, and where there are four or less owners, the council shall consist of all owners.
- (v) Except where the council consists of all owners, where a strata lot is owned by more than one person, only one owner of the strata lot shall be a member of the council at any one time.
- (vi) At each annual general meeting of the Strata Corporation all the members of the council shall retire from office and the Strata Corporation shall elect a new council. A retiring member of the council is eligible for re-election.

#### Vacancies, Quorum, etc.

- 6. (i) Except where the council consists of all owners, the Strata Corporation may, by resolution at an extraordinary general meeting, remove for cause a member of the council before expiry of his term of office and appoint another owner in his place, to hold office until the next annual general meeting.
- (ii) A vacancy on the council may be filled by the remaining members of the council appointing a temporary member until the next meeting of the Strata Corporation.

- (iii) Except where there is only one owner, a quorum of the council is 2 where the council consists of 4 or less members, 3 where it consists of 5 or 6 members and 4 where it consists of 7 or 8 members and 5 when it consists of 9 members.

#### Officers and Meetings

- 7. (i) At the first meeting of the council held after each annual general meeting of the Strata Corporation, the council shall elect from among its members a chairman and vice-chairman, who shall hold office until the conclusion of the next annual general meeting of the Strata Corporation or until their successors are elected or appointed.
- (ii) The chairman of the council shall have a casting vote in addition to his original vote.
- (iii) Where the chairman is absent from any meeting of the council, or vacates the chair during the course of a meeting, the vice-chairman shall act as the chairman and have all duties and powers of the chairman while so acting.
- (iv) In the absence of both the chairman and the vice-chairman, the members present shall from amongst themselves appoint a chairman for that meeting, who shall have all the duties and powers of the chairman while so acting.
- (v) At meetings of the council all matters shall determined by simple majority vote.

#### Council Powers

- 8. The council may:
  - (1) meet together for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit, and it shall meet when any member gives the other members not less than 7 days' written notice of a meeting proposed by him, specifying the reason for calling the meeting, unless the other members agree to waive the notice;
  - (2) employ for and on behalf of the Strata Corporation's agents and employees as it thinks proper for the control, management and administration of the common property common facilities or other assets of the Strata Corporation and the exercise and performance of the powers and duties of the Strata Corporation; and
  - (3) subject to any restriction imposed or direction given at a general meeting, delegate to one or more of its members, or to a member or committee of members of the Strata Corporation, or to its manager, those of its powers and duties it thinks proper, and at any time revoke a delegation.

#### Council Duties

- 9. (i) The council shall keep, in one location, or in the possession of one person, and shall make available on request to an owner or a person authorized by him:

- I. a copy of the Condominium Act, these Bylaws, and of changes in these Bylaws;
  - II. a copy of special or unanimous resolutions;
  - III. a copy of all the legal agreements to which the Strata Corporation is a party, including management contracts, insurance policies, insurance trustee agreements, deeds, agreements for sale, leases, licences, easements or rights-of-way;
  - IV. a register of the members of the council;
  - V. a register of the strata lot owners, setting out the strata lot number, the name of the owner, the unit entitlement, the name and address of any mortgagee who has notified the Strata Corporation, the name of any tenant or lessee, and a notation of any assignment by the owner to the lessee;
  - VI. the annual budget for each year; and
  - VII. minutes of all general meetings and of all council meetings.
- (ii) All acts done in good faith by the council are, notwithstanding it is afterwards discovered that there was some defect in the appointment or continuance in office of a member of the council, as valid as if the member had been duly appointed or had duly continued in office.
  - (iii) A member of a strata council is not personally liable for an act done in good faith in carrying out his duties as a member of the council.

#### General Meetings

- 10. (i) The first annual general meeting shall be called by the owner-developer and the meeting shall be held on the earlier of the date on which 60% of the strata lots have been conveyed by it, or a date 9 months after registration of the strata plan.
- (ii) Subsequent annual general meetings shall be held once in each year, and not more than 13 months shall elapse between one annual general meeting and the next.
- (iii) General meetings other than the annual general meetings shall be called "extraordinary general meetings".
- (iv) The strata council may, whenever it thinks proper, and shall on a requisition in writing by owners or mortgagees of 25% of the strata lots, within 2 weeks after the requisition, convene an extraordinary general meeting.
- (v) Seven days' written notice of every general meeting specifying the place, date and hour of the meeting, and in case of special business the general nature of that business, shall be given to all owners and first mortgagees who have notified their interests to the Strata



Corporation. Accidental omission to give notice to an owner or to a first mortgagee or failure to receive the notice by an owner does not invalidate proceedings at the meeting.

Procedure

11. (i) All business shall be deemed special that is transacted at an annual general meeting, with the exception of the consideration of accounts and election of members to the strata council, or at an extraordinary general meeting.
- (ii) Save as in these Bylaws otherwise provided, business shall not be transacted at a general meeting unless a quorum of persons entitled to vote is present at the time when the meeting proceeds to business.
- (iii) One-third of the persons entitled to vote present in person or by proxy constitutes a quorum.
- (iv) If within 30 minutes from the time appointed for a general meeting a quorum is not present, the meeting stands adjourned to the same day in the next week at the same place and time. If at the adjourned meeting a quorum is not present within 30 minutes from the time appointed for the meeting, the persons entitled to vote present constitute a quorum.
- (v) The chairman of the council shall be the chairman of all general meetings. In his absence from the meeting or in case he vacates the chair, the vice chairman of the council shall act as chairman. In other cases, the meeting shall appoint a chairman.
- (vi) The order of business at general meetings, and as far as is appropriate for extraordinary general meetings, shall be:
  - I. electing the chairman of the meeting, if necessary;
  - II. calling the roll, certifying proxies and issuing a voting card for each strata lot represented at the meeting;
  - III. filing proof of notice of meeting or waiver of notice;
  - IV. reading and disposing of any unapproved minutes;
  - V. receiving reports of committees;
  - VI. considering the accounts;
  - VII. electing a strata council, if necessary;
  - VIII. unfinished business;
  - IX. new business; and

X. adjournment.

Voting at Meetings

12. (i) At a general meeting a resolution by the vote of the meeting shall be decided on a show of hands, unless a poll is requested by an owner present in person or by proxy. A request for a poll may be withdrawn.
- (ii) Unless a poll is requested, a declaration by the chairman that a resolution has, on the show of hands, been carried is conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution subject, however, to the provisions of Bylaw 12(1) hereof.
- (iii) A poll, if demanded, shall be taken in whatever manner the chairman thinks proper, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was requested.
- (iv) In the case of equality in the votes, whether on a show of hands or on a poll, the chairman of the meeting is entitled to a casting vote in addition to his original vote.
- (v) On a show of hands, an owner shall indicate his vote by showing his voting card. On a show of hands or on a poll, votes may be given either personally or by proxy.
- (vi) Except in cases where, under this Act, a unanimous resolution is required, an owner is not entitled to vote at a general meeting unless all contributions payable for his strata lot have been paid.
- (vii) Where owners are entitled to successive interests in a lot, the owner entitled to the first interest is alone entitled to vote, whether on a show of hands or a poll.
- (viii) An owner who is a trustee is entitled to exercise the vote for the strata lot of which he is a trustee. The persons beneficially interested may not vote.
- (ix) At every meeting of the Strata Corporation, each strata lot entitles the owner of it to only one vote in respect of that strata lot provided, however, that the owners of a commercial strata lot shall be entitled to the votes allocated to that strata lot in the Form 3 of the strata plan.

Proxies

13. (i) An instrument appointing a proxy shall be in writing signed by the appointer or his attorney, and may be either general or for a particular meeting.
- (ii) A proxy need not be an owner.

- (iii) Notwithstanding the provisions of these Bylaws on appointment of a proxy, where the owner's interest is subject to a registered mortgage and where the mortgage provides that the power of vote conferred on an owner under the Condominium Act may be exercised by the mortgagee and where the mortgagee has given written notice of his mortgage to the Strata Corporation, no instrument or proxy shall be necessary to give the mortgagee the power to vote. The mortgagee shall indicate its presence at the calling of the roll and it, rather than the owner, shall be issued a voting card.

#### Violation of Bylaws

- 14. (i) An infraction or violation of these Bylaws or any rules and regulations established under them on the part of an owner, his employees, agents, invitees or tenants may be corrected, remedied or cured by the Strata Corporation. Any costs or expense so incurred by the Strata Corporation shall be charged to that owner and shall be added to and become a part of the assessment of that owner for the month next following the date on which the costs or expense are incurred, but not necessarily paid by the Strata Corporation, and shall become due and payable on the date of payment of the monthly assessment.
- (ii) The Strata Corporation may recover from an owner by an action for debt in a court of competent jurisdiction money which the Strata Corporation is required to expend as a result of an act or omission by the owner, his employees, agents, invitees or tenants, or an infraction or violation of these Bylaws or any rules or regulations established under them.

#### Common Expenses

- 15. (i) "Common Expenses" means the total of all expenses incurred or to be incurred by the Strata Corporation in controlling, managing and administering, operating, repairing, maintaining and replacing the common property, common facilities and other assets of the Strata Corporation and in discharging all obligations of the Strata Corporation under the Condominium Act and the bylaws of the Strata Corporation including, without limiting the generality of the foregoing, the costs of repairs, maintenance and replacement, premiums on insurance policies, landscaping and gardening costs, snow removal, lighting costs, wages, legal and accounting fees, management fees, rental costs, maintenance service and contingency reserve for unusual or extraordinary future expenses whether of a capital nature or not.
- (ii) The strata lot owner's contribution to the Common Expenses of the Strata Corporation shall be levied in accordance with this bylaw.
- (iii) Common Expenses shall be apportioned to individual strata lots in the following manner:
  - I. Common Expenses shall be allocated to all strata lots and shall be borne by the owners in proportion to the unit entitlement of their strata lot or as otherwise set out in the current budget of the Strata Corporation; and

II. Common Expenses attributable to any one or more strata lot shall be allocated to such strata lot or lots.

- (iv) If the cost of insurance for the Strata Corporation is increased by reason of the business or activities of the owner or occupier of any particular strata lot, the amount of the increase in cost so attributable to such strata lot shall be borne solely by the owners of that strata lot and shall be excluded from the amount chargeable to all other owners.
- (v) Unless separately metered for different strata lots, all costs of natural gas supplied to any of the strata lots which have fireplaces powered by natural gas shall be borne by the owners of all strata lots which have this service available to them, which cost shall be borne in the proportion that the unit entitlement of each such strata lot bears to the aggregate of the unit entitlement of all such strata lots. If such gas lines are separately metered, each owner whose strata lot is so separately metered shall be responsible for the cost of natural gas supplied to his own strata lot and his strata lot shall be excluded from the calculation of the shared cost of natural gas set out in this Bylaw 15.
- (vi) If a strata lot shall require a utility service not supplied to all lots the costs shall not be a common expense and if this utility is not separately metered or billed so as to measure the use thereof by the strata lot the cost of such utility shall be apportioned and charged to the strata lot by the Strata Corporation, on the basis of proportionate unit entitlement.
- (vii) Where a strata plan includes limited common property, expenses attributable to the limited common property which would not have been expended if the area had not been designated as limited common property shall be borne by the owners of the strata lots entitled to use the limited common property in proportion to the unit entitlement of their strata lots.
- (viii) The owner developer shall cause to be prepared an interim budget of anticipated Common Expenses for the first 9 month period following registration of the strata plan, and the budget shall be delivered to each purchaser.
- (ix) For the period from the date on which the strata plan is registered until the earlier of the date on which the first strata lot is occupied, or the date on which the first strata lot is conveyed to a purchaser, the owner/developer shall pay the actual Common Expenses.
- (x) For the period from the earlier of the date on which the first strata lot is occupied, or the date on which the first strata lot is conveyed to a purchaser until the first annual budget is approved at the first annual general meeting, the owners, including the owner/developer, shall pay to the Strata Corporation their proportionate share of the estimated monthly Common Expenses in accordance with the interim budget prepared under subsection (9).
- (xi) If the actual Common Expenses during the period referred to in subsection (9) exceed the estimated Common Expenses for that period, the owner-developer shall pay the excess.
- (xii) At the first annual general meeting, the Strata Corporation shall cause to be prepared a budget for a period commencing on the date of the first annual general meeting and ending

on the first anniversary of the last day of the month during which the first annual general meeting is held. After that, all owners, including the owner-developer, shall, subject to subsections (2), (3) and (4), pay a monthly assessment based on the budget determined in accordance with their unit entitlements.

- (xiii) Where, at the first annual general meeting, the budget shows that the estimated Common Expenses as shown on the interim budget exceeded the actual Common Expenses, the owners, including the owner developer, shall receive from the Strata Corporation a rebate of their contribution to the Common Expenses, based on the unit entitlement of the strata lots for which their contribution was paid, and the period of time during which their contribution was paid.
- (xiv) At each annual general meeting subsequent to the first annual general meeting, the Strata Corporation shall prepare an annual budget for the following 12 month period and, after that, all owners shall, subject to subsections (2), (3) and (4) pay a monthly assessment in accordance with their unit entitlement.

#### Notices

- 16. (i) Unless otherwise specifically stated in these Bylaws, delivery of any notice required to be given under this Act or under these Bylaws shall be well and sufficiently given if mailed to the owner at the address of his strata lot and if left with him or some adult person at that address.
- (ii) A notice given by post from Canada shall be deemed to have been given 96 hours after it is posted to an address in Canada or 14 days after posted to an address outside Canada provided always that notices may be sent by telecopier, in which event, such notice shall be deemed to have been received when received by the telecopy machine of the recipient. Other notices shall be deemed to be received on delivery.
- (iii) An owner may at any time in writing advise the Strata Corporation of a change of address at which notice shall be given, and thereafter the address specified shall be deemed to be the address of the owner for the giving of notices.
- (iv) The word "notice" shall include any request, statement or other writing required or permitted to be given by the Strata Corporation to the owner of the strata lot.

#### Corporate Common Seal

- 17. The Strata Corporation shall have a common seal, which shall not be used except by authority of the council previously given and in the presence of the members of the strata council or at least two members of it, who shall sign every instrument to which the seal is affixed. Where there is only one member of the Strata Corporation, his signature is sufficient for the purpose of this section, and, if the only member is a corporation, the signature of its appointed representative on the strata council shall be sufficient for the purpose of this section.

### Prohibitions

18. (i) An owner shall not:
- I. use his strata lot for any purpose which may be illegal or injurious to the reputation of the building;
  - II. make undue noise in or about any strata lot or common property;
  - III. keep any animals on or within his strata lot or the common property but for small pets, such as cats and small dogs, so long as such a pet does not cause any disturbance to other owners. If there is any dispute as to whether a particular pet is a small pet, or as to whether any particular pet is causing a disturbance to other owners, the matter shall be submitted to the Strata Council for a final and binding determination of the issue; or
  - IV. make or cause to be made any structural alteration as to any bearing structure to his strata lot, or paint, decorate, or add to or remove any structure from the exterior of the building, or within any bearing or party wall or the common property without first obtaining the written consent of the Strata Council.
- (ii) 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.

### Promotion

19. (1) During the time that the owner/developer of the Strata Corporation is a first owner of any units, he shall have the right to maintain any unit or units, whether owned or leased by him, as a display unit, and to carry on sales functions he considers necessary in order to enable him to sell the units.
- (2) Signs advertising the sale or lease of a strata lot must be displayed on the common post supplied from time to time by the Strata Corporation. Notwithstanding the foregoing, marketing signs and the owner/developer may be displayed on the Common Property at the reasonable discretion of the owner/developer.

### Commercial Strata Lots

20. (1) Owners of Commercial Strata Lots will be permitted to install signs or notices within their strata lots so as to be visible from the exterior of such strata lot, and on the exterior of such strata lot, including any awning installed, on the condition that the size and design of such signs or notices:

- (a) have received the approval of the owner-developer if the installation of such signs or notices is intended to commence within 6 months after substantial completion of the development of which the Strata Corporation forms a part, and thereafter have received the approval of the Strata Corporation, acting reasonably;
- (b) have received any approvals required from the City of Vancouver; and
- (c) are in keeping with the overall presentation of the Development in terms of quality, design and colour.

All such signs and notices shall be installed and maintained at the sole expense and risk of the owner of the Commercial Strata Lot that has installed them and such owner shall take out and maintain insurance for such signage as a reasonable owner displaying similar signage would obtain. Notwithstanding any of the foregoing, backlit plastic signs will not be permitted anywhere on or within any strata lot or common property of the Strata Corporation.

- (2) No signs may be placed anywhere on the common property, save for the signs described in this Bylaw 20 and those signs approved by the Strata Corporation from time to time. Provided that this Bylaw 20(2) shall not apply to signs placed in the underground parking facility.
  - (3) The signs described in part (1) of this Bylaw 20 shall be maintained in first-class condition at the cost and expense of the owner of Commercial Strata Lots.
21. (1) Owners of Commercial Strata Lots shall, in addition to their share of Common Expenses, be responsible for the following:
- (a) the maintenance in first-class condition and the cost thereof of the signs described in Bylaw 20; and
  - (b) the maintenance in first-class condition and the cost thereof of the outside walls of Commercial Strata Lots.

#### Use of Commercial Strata Lots

22. (1) The Strata Corporation confirms that:
- (a) the Strata Corporation will neither act nor pass any bylaw or rule or regulation which would have the effect of prohibiting, preventing or impairing the owners of the Commercial Strata Lots from fully utilizing those strata lots for commercial purposes in accordance with the applicable zoning bylaws and rules and regulations of the City of Vancouver in effect from time to time; provided that the activity carried on in a Commercial Strata Lot is not breach of these Bylaws; and

- (b) the Strata Corporation will not pass any Bylaws or rules or regulations which prohibit, prevent or impair the owners of the Commercial Strata Lots from leasing, sub-leasing, granting a license, entering into any lease, sub-lease or license arrangement with respect to the use of the Commercial Strata Lots.
- (2) The Commercial Strata Lots may not be used:
  - (I) for the purposes of a restaurant, adult retail store, body-rub parlour, pawn shop, secondhand store, cabaret, auction hall, or funeral home. Where any of the foregoing are referred to in the current bylaws of the City of Vancouver for property zoned in the C-1 district, they shall have the definition as applied in the said current bylaws;
  - (II) for any retail operation operating outside of the hours of 7:00 a.m. to 10:00 p.m.;
  - (III) for any activity which creates or is likely to create noxious or offensive odours; or
  - (IV) for any other use which is contrary to the bylaws of the City of Vancouver for property zoned in the C-1 district or the bylaws of the Strata Corporation.
- (3) This Bylaw 22 shall not be altered, amended or repealed unless the alteration, amendment or repeal is first approved by a resolution passed by 75% of the Strata Corporation.

#### Signage related to sale of strata lots

- 23. Owners of strata lots shall only display signage relating to the offering for sale of a strata lot at the location and area designated for such signage by the council of the Strata Corporation from time to time.

#### Window Coverings

- 24. All window coverings used within the strata lots visible from the outside of the building shall be of white or light beige colour to ensure exterior uniformity.



**EXHIBIT E**

**ESTIMATED BUDGET OF OPERATING EXPENSES  
AND MONTHLY ASSESSMENTS**

**ESTIMATED BUDGET OF OPERATING EXPENSES  
(BASED ON PROJECTED FUTURE EXPENSES)**

**MONTHLY ASSESSMENTS**

**The Croftons**

3028-3050 West 41st Avenue, Vancouver, B.C.

**ESTIMATED ANNUAL OPERATING BUDGET**

(Best estimate as at August, 1999)

Expenses	Residential	Commercial*
Electrical/Hydro	2,208	992
Gas	1,932	868
Elevator	1,600	-
Fire Safety	1,277	574
Garage Gate	268	-
Garbage	1,380	620
Insurance	2,008	902
Janitorial	3,544	1,592
Repairs & Maintenance	345	155
Management	4,430	1,990
Security	2,260	1,016
<b>TOTAL BUDGET</b>	<b>21,252</b>	<b>8,708.86</b>
Contingency at 5%	1,063	435
<b>FINAL TOTAL</b>	<b>22,314</b>	<b>9,144</b>

\* NOTE      Commercial is 31% of total usage for lights, maintenance etc.  
                 Elevator, residential garage gate do not apply to commercial

## **The Croftons**

3028-3050 West 41st Avenue, Vancouver, B.C.

### **Residential Units Strata Fee**

<b>Suite #</b>	<b>Strata #</b>	<b>Unit Entitlement</b>	<b>Strata Fee/Month</b>
101	10	975	197
102	9	952	192
103	8	964	194
105	7	599	121
PH1	17	912	184
PH2	11	914	184
PH3	12	582	117
PH5	16	1,050	212
PH6	13	580	117
PH7	14	844	170
PH8	15	852	172

### **Commercial Units Strata Fee**

<b>Address</b>	<b>Strata #</b>	<b>Unit Entitlement</b>	<b>Strata Fee/Month</b>
3030 W. 41st Ave	1	375	70
3030 W. 41st Ave	2	648	121
3030 W. 41st Ave	3	900	168
3030 W. 41st Ave	4	898	167
3030 W. 41st Ave	5	641	119
3030 W. 41st Ave	6	629	117

## EXHIBIT F

### HOME WARRANTY INSURANCE STRATA OWNERS FORM AND RELATED DOCUMENTS

# HOME WARRANTY INSURANCE STRATA OWNERS FORM

## INTRODUCTION

Residential Warranty Insurance Services Ltd. ("RWC"), administers the warranty program as described in this booklet. The Member Builder, as identified on the Validation Sticker attached hereto has purchased Home Warranty Insurance from Kingsway General Insurance Company to benefit the purchaser by acting if the Member Builder fails to perform its obligations as described in this agreement. Section I describes the protection this policy provides for defects in labor & materials. Section II describes the protection this policy provides for defects in the building envelope and, Section III describes the protection this policy provides for structural defects.

**YOU SHOULD READ THIS AGREEMENT IN ITS ENTIRETY IN ORDER TO UNDERSTAND THE PROTECTION IT AFFORDS, AND THE EXCLUSIONS APPLICABLE TO IT. WARRANTY STANDARDS AND PURCHASER'S RESPONSIBILITIES ARE ALSO CLEARLY DESCRIBED IN THIS DOCUMENT. ADDITIONAL INFORMATION MAY BE RECEIVED BY CALLING RWC AT 1-800-238-3493.**

It should be understood by the Purchaser that every newly constructed home needs maintenance to prolong the life of the new home. It is the Purchaser's responsibility, NOT THE BUILDER'S, to maintain the home. Regular maintenance includes such items as preserving soil drainage conditions, caulking, cleaning, resealing or repainting of finished surfaces as necessary, routine maintenance of mechanical systems, etc. In a condominium, the association or strata corporation has the same maintenance responsibilities for common elements. **ANY DAMAGE OR DEFECT CAUSED OR WORSENERED BY NEGLIGENCE, ABNORMAL USE, OR IMPROPER MAINTENANCE AND OPERATION OF THE HOME, THE SURROUNDING LOT, OR THE COMMON ELEMENTS OF A CONDOMINIUM MAY NOT BE COVERED BY THIS AGREEMENT.**

## SECTION I - MATERIALS & LABOR WARRANTY - 2 YEARS

In consideration of the premium paid and subject to all the terms and conditions contained elsewhere in this document, the insurer agrees to repair defects in workmanship in the construction of the dwelling unit and to repair or replace defective materials where such defects become apparent within 12 months from commencement date. It is further agreed that coverage extends for 24 months from commencement date to cover defects in materials and labor supplied for the electrical, plumbing, heating ventilation and air conditioning delivery and distribution systems as well as windows, caulking, exterior cladding, and doors that may lead to detachment or material damage to the new home or any defect in materials and labor which renders the new home unfit to live in. Non-compliance or a violation of the building code is considered a defect and is covered by this policy if the non-compliance or violation constitutes an unreasonable health or safety risk or has resulted in, or is likely to result in material damage to the new dwelling unit.

## SECTION II - BUILDING ENVELOPE WARRANTY - 5 YEARS

It is understood and agreed that coverage extends to include defects in the building envelope including a defect which permits unintended water penetration such that it causes or is likely to cause material damage.

## SECTION III - STRUCTURAL DEFECTS WARRANTY - 10 YEARS

It is understood and agreed that coverage extends to cover defects in materials and labor that results in the failure of a load bearing part of the home and any defects which causes structural damage that materially and adversely affects the use of the new home for residential occupancy where such structural defects become apparent within 10 years of commencement date.

## LIMIT OF WARRANTY INSURANCE COVERAGE

It is understood and agreed that the limit of liability under this contract is the lesser of (a) the purchase price paid by the owner and (b) \$100,000.

## SECTION IV - DEPOSIT COVERAGE

The Insurer hereby acknowledges and agrees that the deposit paid by the Purchaser to the Builder is refundable to the Purchaser. In the event such deposit monies cannot be recovered by the Purchaser due to bankruptcy, insolvency or fraud of the Builder, the program insurer shall repay the deposit monies to the Purchaser subject always to the following conditions.

- 1) The Purchaser shall perform all of his obligations or shall be ready, willing and able to complete all of his obligations to the Builder pursuant to any contract between them.
- 2) The Purchaser shall, in the event of repayment of any deposit monies by the Insurer to such Purchaser, forthwith assign and transfer to the Insurer to the extent of such payment any security position, judgment, agreement for sale or equity security the Purchaser may hold against the Builder relating to the same transaction.
- 3) The Purchaser's copy of the Deposit Receipt must be registered with the Insurer by the Builder promptly following the execution of this receipt and confirmation of coverage will be issued.
- 4) Deposit Coverage shall expire on the commencement date, as set out on the certificate of possession or the date on which the home is occupied whichever date occurs first.
- 5) In no event shall the insurer be liable for any deposit loss in excess of \$20,000.

## SECTION V - LIVING OUT ALLOWANCE

- (1) If repairs are required under home warranty insurance and damage to the new home or the extent of the repairs renders the dwelling unit uninhabitable, this insurance will cover reasonable living-out expenses incurred by the owner.
- (2) The maximum limit is \$100 per day for the complete reimbursement of the actual accommodation expenses incurred by the owner at a hotel, motel or other rental accommodation up to the day the dwelling unit is ready for occupancy, subject to the owner receiving 24 hours advance notice.

## SECTION VI - DEFINITIONS

- (1) "act" means the *Homeowner Protection Act*;
- (a) For the purposes of the Act and this regulation, "new home" includes
- (b) a non-residential building, or portion thereof, converted to use for residential occupancy and sale, and
- (c) a cooperative.
- (2) If a residential builder or owner is more than one person, the obligation of each person is deemed to be joint and several.
- "building code" means, as applicable,
- (a) the British Columbia Building Code established under the Municipal Act, or
- (b) the Vancouver Building Bylaw established under the *Vancouver Charter*, in force at the time that the building permit was issued for the new home or, in jurisdictions where a building permit is not required, in force when construction commences;
- "common property" has the same meaning as in the *Condominium Act*, but does not include land;
- "cooperative" means a building, or a portion of a building, provided for residential occupancy purposes to members of an association incorporated or continued under the *Cooperative Association Act*;
- "defect" means any construction, including labour and material, that is contrary to the building code or that requires repair or replacement due to the negligence of a residential builder or person for whom the residential builder is responsible at law;

**"developer"** means a residential builder that sells the residential builder's ownership in a new home, and includes a vendor that contracts with a general contractor for the construction of a new home;

**"director nominee"** means the director of a residential builder corporation named as the representative of the corporation on the licence of the residential builder;

**"driveway"** means a surface intended and constructed primarily to be used for vehicular access to or from a new home;

**"dwelling unit"** means a class of new home which is a building, or a portion of a building, that

(a) is newly constructed,

(b) is intended for residential occupancy,

(c) is a single, self-contained residence usually containing cooking, eating, living, sleeping and sanitary facilities, and

(d) may contain a secondary suite if permitted by local bylaws;

**"general contractor"** means a residential builder that is engaged under contract by an owner, developer or vendor to perform or cause to be performed all or substantially all of the construction of a new home, and includes a construction manager and project manager;

**"home warranty insurance"** has the same meaning as in section 189.1 (1) of the *Insurance Act*;

**"load bearing"** means subjected to or designed to carry loads in addition to its own dead load, but does not include a wall element subjected only to wind or earthquake loads in addition to its own dead load;

**"multi-unit building"** means a building containing 2 or more dwelling units together with associated common property, if any;

**"secondary suite"** means a suite located in and forming part of a dwelling unit where the dwelling unit remains as a single legal title;

**"walkway"** means a surface intended and constructed primarily to be used as a pedestrian access to or from a new home, and may include stairs.

## SECTION VII – TERMS AND CONDITIONS CONDITIONS

### Commencement date for strata new homes

1. The commencement date for home warranty insurance coverage for a dwelling unit comprising a strata lot is the earlier of:

(a) the date of actual occupancy of the dwelling unit, or (b) the transfer of legal title to the strata lot.

### Commencement dates for special cases

(1) If an unsold new home owned by a residential builder is occupied as a rental unit, the home warranty insurance commencement date is the date the new home is first occupied.

(2) If the residential builder subsequently offers to sell a new home which is rented, the residential builder must disclose, in writing, to each prospective purchaser, the date on which the home warranty insurance expires.

(3) For multi-unit buildings not in a strata plan, the commencement date of the home warranty insurance is concurrent with the date of first occupancy of a dwelling unit in the multi-unit building.

## WARRANTY CONDITIONS

### Mediation

In this section:

**"mediation"** means a collaborative process in which 2 or more parties meet and attempt, with the assistance of a mediator, to resolve issues in dispute between them;

**"mediation session"** means a meeting between 2 or more parties to a dispute during which they are engaged in mediation;

**"mediator"** means a neutral and impartial facilitator with no decision making power who assists parties in negotiating a mutually acceptable settlement of issues in dispute between them,

**"roster organization"** means any body designated by the Attorney General to select mediators for the purpose of this regulation.

(1) If a dispute between a insurer and an owner arising under home warranty insurance cannot be resolved by informal negotiation within a reasonable time, the owner may, at the owner's sole election, require that the dispute be referred to mediation by delivering to the warranty provider a written request to mediate.

(2) If the owner delivers a request to mediate under subsection (2), the insurer and the owner must attend a mediation session in relation to the dispute.

(3) In addition to the requirements of subsection (3), an insurer or an owner may invite to participate in the mediation any other party to the dispute who may be liable.

(4) Within 21 days after the owner has delivered a request to mediate under subsection (2), the parties must, directly or with the assistance of an independent, neutral person or organization, jointly appoint a mutually acceptable mediator.

(5) If the parties do not jointly appoint a mutually acceptable mediator within the time required by subsection (5) the owner may apply to a roster organization which must appoint a mediator taking into account;

(a) the need for the mediator to be neutral and independent,

(b) the qualifications of the mediator,

(c) the mediator's fees,

(d) the mediator's availability, and

(e) any other consideration likely to result in the selection of an impartial, competent and effective mediator.

(6) Promptly after a roster organization selects the mediator under subsection (6), the roster organization must notify the parties in writing of that selection.

(7) The mediator selected by a roster organization is deemed to be appointed by the parties effective the date of the notice sent under subsection (7).

(8) The date, time and place of the first mediation session must be scheduled by the mediator, and the first mediation session must occur within 21 days of the appointment of the mediator.

(9) Despite subsection (3), a party may attend a mediation session by representative if

(a) the party is under legal disability and the representative is that party's guardian ad litem,

(b) the party is not an individual, or

(c) the party is a resident of a jurisdiction other than British Columbia and will not be in British Columbia at the time of the mediation session.

(10) A representative who attends a mediation session in the place of a party referred to in subsection (10)

(a) must be familiar with all relevant facts on which the party, on whose behalf the representative attends, intends to rely, and

(b) must have full authority to settle, or have immediate access to a person who has full authority to settle, on behalf of the party on whose behalf the representative attends.

(11) A party or a representative who attends the mediation session may be accompanied by counsel.

(12) Any other person may attend a mediation session if that attendance is with the consent of all parties or their representatives.

(13) At least 7 days before the first mediation session is to be held, each party must deliver to the mediator a statement briefly setting out

(a) the facts on which the party intends to rely, and

(b) the matters in dispute.

(14) Promptly after receipt of all of the statements required to be delivered under subsection (14), the mediator must send each party's statement to each of the other parties.

(15) Before the first mediation session, the parties must enter into a retainer with the mediator which must

(a) disclose the cost of the mediation services, and

(b) provide that the cost of the mediation will be paid

(i) equally by the parties, or

(ii) on any other specified basis agreed by the parties.

(16) The mediator may conduct the mediation in any manner he or she considers appropriate to assist the parties to reach a resolution that is timely, fair and cost effective.

(17) A person must not disclose, or be compelled to disclose, in any proceeding oral or written information acquired or an opinion formed, including, without limitation, any offer or admission made in anticipation of or during a mediation session.

(18) Nothing in subsection (18) precludes a party from introducing into evidence in a proceeding any information or records produced in the course of the mediation that are otherwise producible or compellable in those proceedings.

(19) A mediation session is concluded when

(a) all issues are resolved,

(b) the mediator determines that the process will not be productive and so advises the parties or their representatives, or

(c) the mediation session is completed and there is no agreement to continue.

(20) If the mediation resolves some but not all issues, then at the request of all parties the mediator may complete a report setting out any agreements that the parties to the mediation have made as a result of the mediation, including, without limitation, any agreements made by the parties on any facts, issues, or future procedural steps.

#### **WARRANTY TERMS**

A warranty will include any of the following provisions in home warranty insurance:

(a) if the insurer makes a payment or assumes liability for any payment or repair under home warranty insurance,

(i) the insurer is subrogated to all rights of recovery of an owner against any person or persons who may have caused or contributed to the requirement for the payment or repair under home warranty insurance,

(ii) the insurer may bring an action at its own expense, in the name of the owner or of the insurer, to enforce such rights, and

(iii) the owner must fully support and assist the insurer in the pursuit of those rights if the insurer pursues such subrogated rights,

(b) implied or expressed warranties or representations made by a residential builder to an owner are not binding on the insurer except as set out in the Act and this regulation or as set out in the applicable home warranty insurance,

(c) an owner must permit the insurer or residential builder, or both, to enter the new home at all reasonable times, on the giving of reasonable notice to the owner,

(i) to monitor the new home or its components,

(ii) to inspect for required maintenance,

(iii) to investigate complaints or claims, or

(iv) to undertake repairs under the home warranty insurance;

(d) if any reports are produced as a result of any of the activities referred to in paragraph (c), the reports must be provided to the owner on request,

(e) an owner must provide to the insurer all information and documentation that the owner has available, as reasonably required by the insurer, in order to investigate a claim or maintenance requirement, or to undertake repairs under the home warranty insurance;

(f) to the extent that damage to a new home is caused by the unreasonable refusal of an owner or occupant to permit the insurer or residential builder access to the new home for the reasons set out in paragraph (c) or to provide the information required by paragraph (e), such damage is excluded from the home warranty insurance.

#### **WARRANTY TRANSFER**

(1) Home warranty insurance pertains solely to the new home for which it provides coverage and no notice to the warranty provider is required on a change of ownership.

(2) All of the applicable unused benefits under home warranty insurance are automatically transferred to any subsequent owner on a change of ownership.

## **SECTION VIII – EXCLUSIONS**

### **GENERAL**

(1) The following are excluded from home warranty insurance:

(a) landscaping, both hard and soft, including plants, fencing, detached patios, planters, gazebos and similar structures;

(b) non-residential detached structures including sheds, garages, carports or outbuildings, or any structure or construction not attached to or forming an integral part of a multi-unit building or other new home;

(c) any commercial use area and any construction associated with a commercial use area;

(d) roads, curbs and lanes;

(e) subject to exclusion defect section (m), site grading and surface drainage except as required by the building code;

(f) the operation of municipal services, including sanitary and storm sewer;

(g) septic tanks or septic fields;

(h) the quality or quantity of water, either from a piped municipal water supply or from a well;

(i) a water well but excluding equipment installed for the operation of a water well used exclusively for a new home, which equipment is considered to be part of the plumbing system for that new home for the purposes of the home warranty insurance.

(j) all retaining walls except, a retaining wall that an authority having jurisdiction requires to be designed by a professional engineer, or is reasonably required for the direct support of, or retaining soil away from, a new home, driveway or walkway.

### **EXCLUSIONS - DEFECTS**

The following items are excluded from home warranty insurance:

(a) weathering, normal wear and tear, deterioration or deflection consistent with normal industry standards;

(b) normal shrinkage of materials caused by drying after construction;

(c) any loss or damage which arises while a new home is being used primarily or substantially for non-residential purposes;

(d) materials, labour or design supplied by an owner;

(e) any damage to the extent that it is caused or made worse by an owner or third party, including;

(i) negligent or improper maintenance or improper operation by anyone other than the residential builder or its employees, agents or subcontractors,

(ii) failure of anyone, other than the residential builder or its employees, agents or subcontractors, to comply with the warranty requirements of the manufacturers of appliances, equipment or fixtures,

(iii) alterations to the new home, including the conversion of non-living space into living space or the conversion of a dwelling unit into 2 or more units, by anyone other than the residential builder or its employees, agents or subcontractors while undertaking their obligations under the sales contract, and

(iv) changes to the grading of the ground by anyone other than the residential builder or its employees, agents or subcontractors;

(f) failure of an owner to take timely action to prevent or minimize loss or damage, including the failure to give prompt notice to the insurer of a defect or discovered loss or a potential defect or loss;

(g) any damage caused by insects or rodents and other animals, unless the damage results from non-compliance with the building code by the residential builder or its employees, agents or subcontractors;

(h) accidental loss or damage from acts of nature including, but not limited to, fire, explosion, smoke, water escape, glass breakage, windstorm, hail, lightning, falling trees, aircraft, vehicles, flood, earthquake, avalanche, landslide, and changes in the level of the underground water table which are not reasonably foreseeable by the residential builder;

(i) bodily injury or damage to personal property or real property which is not part of a new home; any defect in, or caused by, materials or work supplied by anyone other than the residential builder or its employees, agents or subcontractors;

(5) Repairs must be undertaken in a timely manner, with reasonable consideration given to weather conditions and the availability of materials and labour.

(6) On completion of any repairs, the insurer must deliver a copy of the repair specifications to the owner along with a letter confirming the date the repairs were completed subject to the warranty conditions contained in the warranty on repairs and replacement section.

(7) When calculating the cost of warranty claims in respect of the standard limits under home warranty insurance, the insurer will include;

- a) the cost of repairs,
- b) the cost of any investigation, engineering and design required for the repairs, and
- c) the cost of supervision of repairs, including professional review but excluding legal costs.

#### **DISCLOSURE OF CLAIMS HISTORY**

(1) On receipt of an inquiry from an owner of a new home covered by home warranty insurance regarding the claims experience of that new home, an insurer must provide the owner with a history of claims.

(2) The history of claims referred to in subsection (1) must include, for each claim, not less than the following information for both the dwelling unit and, if applicable, the associated common property:

- (a) the type of claim that was made;
- (b) the resolution of the claim;
- (c) the type of repair performed;
- (d) the date of the repair;
- (e) the cost of the repair;

(3) The Insurer will charge an owner a fee of \$25 to provide the history of claims.

#### **WARRANTY ON REPAIRS AND REPLACEMENTS**

(1) All repairs and replacements made under home warranty insurance must be warranted against defects in materials and labour until the later of.

- (a) the first anniversary of the date of completion of the repair or replacement, and
- (b) the expiry of the applicable new home warranty insurance coverage.

#### **SECTION VIII - DUTY TO MITIGATE**

(1) The insurer will require an owner to mitigate any damage to a new home, including damage caused by defects or water penetration, as set out in the home warranty insurance.

(2) Subject to subsection (3), for defects covered by the home warranty insurance, the duty to mitigate is met through timely notice in writing to the insurer.

(3) The owner must take all reasonable steps to restrict damage to the new home if the defect requires immediate attention.

(4) The owner's duty to mitigate survives even if

- (a) the new home is unoccupied,
- (b) the new home is occupied by other than the owner,
- (c) water penetration does not appear to be causing damage, or
- (d) the owner advises the strata corporation about the defect.

(5) To the extent that damage to a new home is caused or made worse by the failure of an owner to take reasonable steps to mitigate as set out in this section, such damage will be excluded from home warranty insurance coverage.



MAINTENANCE SCHEDULE							
Item No.	Description	Frequency	Priority	Season	Category	Dates Inspected	By
1.0	EXTERIOR						
1.1	Chimneys			X			
1.2	Roofs			X			
1.3	Gutters & Downspouts			X			
1.4	Eaves			X			
1.5	Walls			X			
1.6	Exposed Foundations			X			
1.7	Grading				X		
1.8	Doors & Windows			X			
1.8	Lubricate Doors & Window Parts				X		
1.9	Porches & Decks			X			
1.10	Garages			X			
1.10	Garage Door Openers	X					
1.11	Driveways & Sidewalks			X			
1.12	Retaining Walls & Fences			X			
1.13	Trees, Shrubs & Vines			X			
2.0	STRUCTURE						
2.1	Foundation Walls			X			
2.2	Wood Framing		X				
2.3	Walls & Ceiling Surface Cracks		X				
2.4	Door Frames			X			
3.0	ELECTRICAL						
3.1	Main Panel				X		
3.1	Ground Fault Circuit Breakers	X					
3.2	Indoor Wiring			X			
3.3	Outdoor Wiring				X		
4.0	HEATING						
4.1	All Forced Air Systems	X					
4.1	Forced Air Heating Filters	X					
4.1	Humidifier Water Level	X					
4.1	Humidifier Pad Change				X		
4.2	All Hot Water Systems				X		
4.2	Lubricate Circulating Pumps			X			
4.3	Electric Heat				X		
4.4	Oil Furnaces & Boilers				X		
4.5	Gas Furnaces & Boilers				X		
4.6	Wood Stoves				X		
5.0	COOLING & HEATING PUMPS				X		
6.0	ATTICS				X		
7.0	PLUMBING						
7.1	Water Supply				X		
7.1	Well Equipment			X			
7.2	Waste				X		
7.3	Fixtures				X		
7.4	Water Heaters		X				
8.0	INTERIOR						
	Door Frames			X			
	Fireplaces & Chimneys				X		
9.0	HOUSEHOLD PESTS	X					

## Maintenance Standards

### 1.0 EXTERIOR

---

**1.1 Chimneys:** Inspect for loose or deteriorating mortar. Look for cracks or loose sections in stucco or parging. Check chimney caps and protruding clay chimney liners for loose or broken sections. Check chimney flashing for leakage. Efflorescence, a white salt build up on chimneys indicates moisture within the chimney. Metal chimneys must be inspected for rust, missing rain caps and loose braces.

**Inspect every six months.**

**1.2 Roofs:** Check for damaged, loose or missing shingles. Check high wear areas where there is significant foot traffic or areas where downspouts from upper roofs discharge onto lower roofs. Check flashing at dormers, plumbing stacks, valleys, etc. for rust deterioration or damage. Check moisture sealant and security and at all antennae and/or satellite dish locations. Electric cables for eave protection must be well secured and properly powered. Flat roofs must be checked for blisters, bubbles, loose flashing. Tar & gravel roofs that show areas of gravel erosion must be repaired immediately. Tree branches must not contact roof surface and must be cut back to avoid causing damage to roof.

**Inspect every six months.**

**1.3 Gutters & Downspouts:** Inspect for blockage or leakage from rust holes or joints. Paint deterioration must not be allowed. Check downspout seams for splitting, as a split downspout is often plugged with debris.

**Inspect every six months.**

**1.4 Eaves:** Inspect for loose or rotted areas and paint deterioration.

**Inspect every six months.**

**1.5 Walls:** Inspect for cracks, damage, or deterioration to bricks and mortar. Check stucco for cracks or separation. Wood walls must be checked for rot, loose or damaged boards, caulking and wood/soil contact. Paint deterioration such as bubbling or blistering may be due to outward migration of moisture from the interior of the premise, indicating more serious problems.

Metal & vinyl sidings, insulbrick and shingle siding must be inspected for physical damage and loose and missing components. All walls must be inspected for settling. Tree, vines and shrubs must be cut back from walls, gutters and wood trim (windows, doors, eaves etc.).

**Inspect every six months**

**1.6 Exposed Foundation Walls:** Inspect for deteriorated brick, block, mortar, or parging. Cracking due to settling must be noted and monitored.

**Inspect every six months.**

**1.7 Grading:** Check grading immediately adjacent to building to ensure a slope of one inch per foot for a least six feet from building.

**Inspect annually.**

**1.8 Doors and Windows:** Inspect caulking and weather stripping for deterioration and cracking. All cracked or broken glass must be replaced. All finishes must be checked for deterioration and rot particularly in the sills. At least once a year lubricate all moving parts of windows and exterior doors.

**Inspect every six months.**

**1.9 Porches and Decks:** Wooden components must be inspected for rot and insect infestation. Wood must be stained or painted so no area is untreated and exposed. Insure that all steps and railings are secure.

**Inspect every six months.**

**1.10 Garages:** Check garage roofs for wear. Inspect for evidence of movement. Wooden components must be stained or painted as required and checked for rot or insect infestation. Floor drains must be cleared and tested. Automatic Garage door openers must be tested monthly and adjusted to reverse in the case of an emergency.

**Inspect every six months.**

**1.11 Driveways and Sidewalks:** Check for cracks and deterioration. Settling toward the structure will result in surface water going toward the building and must be corrected immediately.

**Inspect every six months.**

**1.12 Retaining Walls & Fences:** All structures must be checked for movement, rot and insect infestation.

**Inspect every six months.**

**1.13 Trees, Shrubs and Vines:** Limbs over hanging the building must be cut back and all dead limbs removed. Vines must be trimmed away from all wood surfaces.

**Inspect every six months.**

## **2.0 STRUCTURE**

---

**2.1 Foundation Walls:** Check for evidence of deterioration, dampness and movement. Cracks and Voids must be filled as filling of cracks allows for monitoring of movement between inspections.

**Inspect every six months.**

**2.2 Wood Framing:** Check exposed structural components in basements for evidence of rot and insect infestations.

**Inspect every three months.**

**2.3 Wall & Ceiling Surface Cracks:** Monitor wall and ceiling cracks for significant movement. Minor movement due to settling should be anticipated.

**Inspect every three months.**

**2.4 Door Frames:** Check door frames to determine square-ness. Significant movement over a six month period normally indicates a more serious problem.

**Inspect every six months.**

## **3.0 ELECTRICAL**

---

**IMPORTANT;** All electrical work must be done by a qualified electrician in compliance with national and local codes.

**3.1 Main Panel:** Check for rust or water marks indicating moisture penetration. Turn all breakers on & off to determine if any have seized. All fuses must be tightened. A panel warm to the touch, smell of burned insulation, burned wires indicating loose connections must be repaired immediately by a qualified electrician. All circuits must be labeled. A qualified electrician must tighten all aluminum wire connections. Keep area around panel box clear of storage for a minimum of three feet. Ground fault circuit breakers must be tested monthly.

**Inspect annually.**

### **3.2 Indoor Wiring:**

Check for frayed or damaged wire, including extension cords, appliance cords and plugs and replace. Ground fault circuit breakers must be checked monthly. If at any time you install replacement appliances you must determine that their requirements do not exceed the capacity of the circuit.

**Inspect every six months.**

**3.3 Outdoor Wire:** Check overhead masthead wires, and any other overhead wires for tightness and fraying. Check all exterior outlets to ensure that the covers are not damaged or removed.

**Inspect annually.**

## **4.0 HEATING**

---

**4.1 All Forced Air Systems:** Conventional filters must be checked monthly and cleaned or replaced as necessary. Electronic Filters must be checked monthly and cleaned as needed. Check noisy blowers and repair. Water levels in humidifiers must be checked and adjusted monthly. The pad on drum humidifiers must be changed annually.

**Inspect monthly.**

**4.2 All Hot Water Heating Systems:** Check radiators and convectors for leakage particularly at the valves. Bleed radiators of air. Drain expansion tanks. Lubricate circulating pumps twice during heating season.

**Inspect annually.**

**4.3 Electric Heat:** Electric Furnaces and boilers must be inspected annually by a qualified technician. Damaged baseboard heaters must be replaced or repaired immediately. Insure there is adequate clearance from baseboard heater to combustibles.

**Inspect annually.**

**4.4 Oil Furnaces and Boilers:** Oil systems must be checked annually by a qualified technician. Oily sooty deposits at registers indicate problems and a technician must be called. Check exhaust pipe for loose or corroded sections. Inspect oil tank for leaks. A technician must be call if soot is on front of furnace or boiler.

**Inspect annually.**

**4.5 Gas Furnaces and Boilers:** Call a technician if gas odour is detected. Do not use electrical appliances or open flame. A technician must be contacted if heat shield shows burn marks or is loose or corroded. Gas furnaces and boilers must be cleaned and serviced annually.

**Inspect annually.**

**4.6 Wood Stoves:** Check chimney and flues for creosote buildup and clean annually, or more frequently dependent upon use. Clearance to combustibles must be maintained at all times.

**Inspect annually.**

## **5.0 COOLING/HEATING PUMPS**

---

The system must be inspected and recharged if necessary by a qualified technician annually. Check condensate drain line for leakage. Outdoor section must be level. Noisy fan may mean bearing or misalignment problem.

**Inspect annually.**

## **6.0 ATTICS**

---

Check annually for water stains on underside of roof sheathing. Check for wet insulation, rot, mildew, and fungus. Check for spots bare of insulation and check attic vents for any obstructions. Look for evidence of pest such as squirrels. Inspect rafters and collar ties for rot or movement.

**Inspect annually**

## **7.0 PLUMBING**

---

**IMPORTANT:** All plumbing repairs and installation must be done by a qualified plumber.

**7.1 Water supply plumbing:** Check for leaks and inspect crawl spaces for adequate heat. Outdoor faucets must be shut off from inside and drained in winter. Ensure that main shut off valve is operational. Leaking and dripping faucets must be repaired or replaced. Well equipment must be inspected semi-annually.

**Inspect annually.**

**7.2 Waste Plumbing:** Check all visible waste plumbing for leaks. Slow drains must be cleared. Basement floor drains must be filled with water. If not, may indicate cracked or broken or water evaporation. Septic tanks should be checked and cleaned annually.

**Inspect annually.**

**7.3 Fixtures:** Check all toilets to ensure they are properly secured to the floor and do not run continuously. Check grouting and caulking on all fixtures and renew when necessary. Test the sump pump.

**Inspect annually.**

**7.4 Water Heaters:** Test lever on the pressure relief valve must be checked every three months to ensure that valve is not seized. If sludge is a problem in your area the tanks should be drained regularly.

**Inspect every three months.**

## **8.0 INTERIOR**

---

Walls and ceiling must be inspected for cracks and monitored for movement. Cause for bulges in wall and ceiling surfaces must be determined.

Check walls in corners and dead air space for condensation and mildew. Determine source of water stains on interior finishes and correct immediately. Most condensation can be prevented by ventilation

Door frames must be inspected and if out of square within six month period may be an indication of structural problems.

Condensation on windows indicates high humidity and will lead to rot.

Fireplaces and chimneys must be cleaned and inspected annually.

Cabinet doors that stick may be corrected with the application of candle wax, paraffin or silicone.

All carpeting must be kept clean.

## **9.0 HOUSEHOLD PESTS**

---

Evidence of the following:

Carpenter Ants,  
Earwigs,  
Silverfish,  
Cockroaches,  
Sowbugs,  
Termites,  
Fleas  
Mice,  
Raccoons,  
Or any other pest,

must be dealt with by professional exterminations as soon as evidence of infestation is determined.

Proper maintenance of your home is necessary. Neglect will only cause more problems and could void your warranty. It is essential that any problem that is evidenced must be dealt with in a reasonable and prudent manner.

Operating and preventative maintenance instructions for all appliances have been supplied by the manufacture and these instructions must be read and closely followed.

# MAINTENANCE CHECKLIST

Description	Monthly	Three Months	Six Months	Annually
Attics				X
Chimney			X	
Cooling & Heating Pumps				X
Doors & Windows			X	
Door Frames				X
Driveways & Sidewalks				X
Eaves				X
Electrical				X
Exposed Foundation Walls			X	
Fireplaces & Chimneys				X
Forced Air Heating Filters	X			
Forced Air Heating Systems (ALL)	X			
Foundation Walls				X
Garages				X
Garage Door Openers	X			
Grading				X
Ground Fault Circuit Breakers	X			
Gutters & Downspouts				X
Heating Systems (Gas, Oil etc.)				X
Hot Water & Electrical Heating				X
Household Pests	X			
Humidifier Pad Change				X
Humidifier Water Level	X			
Indoor Wiring				X
Lubricate Door & Window Parts				X
Lubricate Hot Water Circulating Pumps			X	
Plumbing				X
Porches & Decks				X
Retaining Walls & Fences				X
Roofs				X
Tree & Shrubs				X
Walls				X
Wall & Ceiling Surface Cracks			X	
Water Heaters			X	
Well Equipment				X
Wood Framing			X	
Wood Stoves				X

## **WARRANTY PERFORMANCE STANDARDS APPLICABLE DURING FIRST TWO YEARS.**

### **PURPOSE OF THE STANDARDS**

The Warranty Standards referred to herein are intended to specify the performance standards for construction of Residential Units and their common property, if any, and to set forth the basis for determining the validity of all Purchasers' complaints. This relates to defective materials and workmanship during the two year phase of the Warranty under the Residential - Good As Gold New Home Warranty Program. Only the most frequent defects of concern to the Purchaser have been enumerated in the Warranty Standards set forth in the pages that follow. If a specific defect has not been enumerated, this indicates only that a performance standard for such a defect has not been adopted by the Residential - Good As Gold - New Home Warranty Program. To the extent that a performance standard for construction has not been enumerated in these Warranty Standards, Builders shall construct Residential Units and their common property, if any, in accordance with good industry practice and those codes listed herein. The validity of any defect, for which a standard.

The Performance Standards contained in the following pages are designed for easy comprehension by both the layman and the Builder.

- 1) Possible Defect – a brief statement in simple terms of the problem to be considered.
- 2) Performance Standard – a performance standard relating to the specific defect.
- 3) Builder Responsibility – a statement of the corrective action required of the Builder to repair the defect.

# WARRANTY PERFORMANCE STANDARDS

## 1.0 SITE WORK

### 1.1 Site Grading and Drainage

<b><u>Defect:</u></b>	Settling of ground around foundation utility trenches or other areas.
<b>Performance Standard:</b>	Settling of ground within five feet of foundation walls, utility trenches, or other fill areas shall not interfere with water drainage away from the home.
<b>Responsibility:</b>	Upon request by the owner, the Builder shall supply fill only for excessively settled areas one time only during the first year of Warranty. The owner shall be responsible for any grass, shrubs, or other landscaping affected by placement of such fill.

## 2.0 CONCRETE

### 2.1 Expansion and Contraction Joints

<b><u>Defect:</u></b>	Separation or movement of concrete slabs within the structure at expansion and contraction joints.
<b>Performance Standard:</b>	Concrete slabs within the structure are designed to move at expansion and contraction joints.
<b>Responsibility:</b>	None.

### 2.2 Cast-in-Place Concrete

<b><u>Defect:</u></b>	Basement or foundation wall cracks.
<b>Performance Standard:</b>	Shrinkage cracks are not unusual in concrete foundation walls. Such cracks 1/8 inch (3mm) or greater shall be repaired.
<b>Responsibility:</b>	Builder will repair cracks in excess of 1/8 inch (3mm) in width.

<b><u>Defect:</u></b>	Cracking of basement floor.
<b>Performance Standard:</b>	Shrinkage Cracks are not unusual in concrete basement floors. Such cracks 1/8 inch (3mm) or greater shall be repaired.
<b>Responsibility:</b>	Builder will repair cracks exceeding maximum tolerances by surface patching or other methods as required.

<b><u>Defect:</u></b>	Cracking of slab in attached garage.
<b>Performance Standard:</b>	Cracks in garage slabs in excess of 1/4 inch (6mm) in width or 1/4 inch (6mm) in vertical displacement shall be repaired.
<b>Responsibility:</b>	Builder will repair cracks exceeding maximum tolerances by surface patching or other methods as required.

<b><u>Defect:</u></b>	Standing water on garage floor.
<b>Performance Standard:</b>	Water should not pond or remain on the garage floor.
<b>Responsibility:</b>	Builder will ensure that drainage is provided for the garage floor by being sloped to the outdoors.
<b><u>Defect:</u></b>	Uneven concrete floors/slabs.



**Performance Standard:** Except for basement floors or where a floor or portion of floor has been designed for specific drainage purposes, concrete floors in rooms designed for habitability shall not have pits, depressions or areas of unevenness exceeding 1/4 inch (6mm) in 32 inches (800mm).

**Responsibility:** Builder will correct or repair to meet the Performance Standard.

**Defect:** Cracks in concrete slab-on grade floors with finish flooring.

**Performance Standard:** Cracks which rupture the finish flooring material shall be repaired.

**Responsibility:** Builder will repair cracks, as necessary, so as not to be readily apparent when the finish flooring material is in place.

**Defect:** Pitting, scaling or spalling of concrete work covered by Warranty.

**Performance Standard:** Concrete surfaces shall not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weathering and use.

**Responsibility:** Builder will take whatever corrective action necessary to repair or resurface defective concrete surfaces. Builder is not responsible for deterioration caused by salt, chemicals, mechanical implements and other factors beyond its control.

**Defect:** Settling, heaving, or separating of attached stoops, steps, or garage floors.

**Performance Standard:** Attached stoops, steps or garage floors shall not settle, heave, or separate in excess of 1 inch (26mm) from the house structure.

**Responsibility:** Builder will take whatever corrective action is necessary to meet the Performance Standards.

**Defect:** Standing water on attached steps and platforms.

**Performance Standard:** Water should drain from outdoor attached steps and platforms.

**Responsibility:** Builder shall take corrective action to assure drainage of attached steps and stoops.

### **3.0 MASONRY**

#### **3.1 Unit Masonry**

**Defect:** Basement or foundation wall cracks.

**Performance Standard:** Small cracks not affecting structural stability are not unusual in mortar joints of masonry foundation walls. Cracks greater than 1/8 inch (3mm) in width shall be repaired.

**Responsibility:** Builder will repair cracks in excess of 1/8 inch (3mm) by pointing or patching.

**Defect:** Cracks in masonry walls or veneer.

**Performance Standard:** Small hairline cracks due to shrinkage are common in mortar joints in masonry construction. Cracks greater than 1/8 inch (3mm) in width are considered excessive.

**Responsibility:** Builder will repair cracks in excess of Performance Standard by pointing or patching. Builder will not be responsible for color variation between old and new mortar.

### **4.0 WOOD**

#### **4.1 Carpentry**

**Defect:** Floors squeaks and subfloors appears loose.

**Performance Standard:** Floor squeaks and loose subfloors are often temporary conditions common to new construction, and a squeak-proof floor cannot be guaranteed.

**Responsibility:** The Builder will correct the problem only if caused by an underlying construction defect.

**Defect:** Uneven Wood Floors.

**Performance Standard:** Floors should not have more than 1/4 inch (6mm) ridge or depression within any 32 inch (800mm) measurement when measured parallel to joists. Allowable floor and ceiling joist deflections are governed by approved building code.

**Responsibility:** The Builder will correct or repair to meet this Performance Standard.

**Defect:** Bowed walls.

**Performance Standard:** All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls should not detract from or blemish the wall's finished surface. Walls should not bow more than 3/8 inch (9mm) out of line within any 32 inch (800mm) horizontal or vertical measurement.

**Responsibility:** Builder will repair to meet Performance Standard.

**Defect:** Out-of-plumb walls.

**Performance Standard:** Walls should not be more than 1/4 inch (6mm) out of plumb for any 32 inch (800mm) vertical measurement.

**Responsibility:** Builder will repair to meet the Performance Standard.

**Defect:** Ceiling/wall corner separation, commonly referred to as "roof truss uplift".

**Performance Standard:** Once thought to be a rare occurrence, the frequency of the phenomenon has increased considerably as ceiling insulation requirements grew. With increased ceiling insulation requirements, the lower cord members of the truss become buried in the insulation which effectively creates a temperature/moisture variation between the parts of the truss assembly buried in the insulation and the parts of the truss assembly exposed to the elements in the unheated attic space. The variation in temperature/moisture conditions in the truss wood frame members can result in some movement upward at approximately centre span of the truss lower cord members.

Normally in late spring temperatures and moisture moderate to the extent that the lower cord member of the truss returns to its original position or to rest on top of the centre partition. Gaps close, leaving damage limited to corner tape and drywall surfaces.

**Responsibility:** This is an natural phenomien - no action shall be taken.

## **5.0 THERMAL AND MOISTURE PROTECTION**

### **5.1 MoistureProofing and Insulation**

**Defect:** Leaks in basement.

**Performance Standard:** Leaks resulting in actual trickling of water are not acceptable and shall be repaired. Leaks caused by improper landscaping installed by owner, or failure of owner to maintain proper grades are not covered by the Warranty. Dampness of the walls or floors may occur in new construction and is not considered a deficiency.

**Responsibility:** Builder will take such action as necessary to correct basement leaks except where the cause is determined to result from owner action or negligence.

**Defect:** Insufficient insulation.

Performance Standard: Insulation shall be installed in accordance with applicable energy and building code requirements.

Responsibility: Builder will install insulation in sufficient amounts to meet Performance Standard.

**Defect:** Leaks due to snow or rain driven into the attic through louvers or vents.

Performance Standard: Attic vents and/or louvers must be provided in order to properly ventilate the house.

Responsibility: None.

## **5.2 Cladding, Roofing and Siding**

**Defect:** Detached roofing shingles.

Performance Standard: Shingles should not become detached or break away from roof under normal anticipated conditions. Winds causing detachment/breaking away of roof shingles is not covered.

Responsibility: Builder will replace/repair roof shingles where placement does not comply with the manufacturers' installation instructions and the National Building Code of Canada. Matching color as close as possible. Builder is not responsible for conditions beyond the builders' control. Example: Storm conditions, Owner maintenance, etc. Builder cannot be held responsible for discontinued patterns or color variations.

**Defect:** Ice and snow build-up on roof.

Performance Standard: During prolonged cold spells, ice and snow build-up is likely to occur at the eaves of a roof. This condition occurs when snow and ice accumulate and gutters and downspouts freeze up.

Responsibility: Prevention of ice and snow build-up on the roof is an owner maintenance item.

**Defect:** Roof or flashing leaks.

Performance Standard: Roofs or flashing shall not leak under normally anticipated conditions, except where cause is determined to result from ice build-up or owner actions or negligence.

Responsibility: Builder will repair any verified roof or flashing leaks not caused by ice build-up or owner actions or negligence.

**Defect:** Standing water on flat roof.

Performance Standard: Water shall drain from flat roof except for minor ponding immediately following rainfall or when the roof is specifically designed for water retention.

Responsibility: Builder will take corrective action to assure proper drainage of roof.

## **5.3 Siding**

**Defect:** Delamination of vinyl & veneer siding or joint separation.

Performance Standard: All siding shall be installed according to the manufacturer's and industry's accepted standards. Separations and delaminations shall be repaired or replaced.

Responsibility: Builder will repair or replace siding as needed unless caused by owner's neglect to maintain siding properly. Repaired areas may not match in color and/or texture. For surfaces requiring paint, builder will paint only the new materials. The owner can expect that the newly painted surface may not match original surface in color.

Builder will correct to meet Performance Standard.

**Defect:** Wavy appearance or surface imperfections in manufactured exterior siding.

Performance Standard: Exterior manufactured siding should be free of manufacturing defects and installed in accordance with manufacturer's installation instructions. Siding material should perform its intended function, that is to preclude the penetration of rain or snow. Highly reflective siding surfaces tend to magnify surface imperfections, such as variations in color, texture and flatness, and are not considered defects in construction.

#### 5.4 Leaks

**Defect:** Leak in exterior walls.

Performance Standard: Joints and cracks in exterior wall surfaces and around openings shall be properly caulked to preclude the entry of water.

Responsibility: Builder will repair and/or caulk joints or cracks in exterior wall surfaces as required to correct deficiencies during the first year. Even properly installed caulking will shrink and must be maintained by the home owner after the first year.

#### 6.0 DOORS AND WINDOWS

**Defect:** Warpage of exterior doors.

Performance Standard: Exterior doors will warp to some degree due to temperature differential on inside and outside surfaces. However, they shall not warp to the extent that they become inoperable or cease to be weather resistant or exceed 1/4 inch (6mm), measured diagonally from corner to corner.

Responsibility: Builder will correct or replace and refinish defective doors to match existing doors as nearly as possible.

**Defect:** Warpage of interior passage and closet doors.

Performance Standard: Interior doors (full openings) shall not warp in excess of 1/4 inch (6mm) measured diagonally from corner to corner.

Responsibility: Builder will correct or replace and refinish defective doors to match existing doors as nearly as possible.

Note: Excessive humidity may cause warpage or swelling of doors. Such deficiency is not covered under the warranty.

**Defect:** Shrinkage or insert panels show raw wood edges.

Performance Standard: Panels will shrink and expand, any expose unpainted surfaces.

Responsibility: None.

**Defect:** Split in door panel.

Performance Standard: Split panels shall not allow light to be visible through the door.

Responsibility: The Builder will, if light is visible, fill split and match paint or stain as closely as possible.

#### 6.2 Sheet Metal

**Defect:** Gutters and/or downspouts leak.

Performance Standard: Gutters and downspouts should not leak but gutters may overflow during heavy rain.

**Responsibility:** Builder will repair leaks. It is the homeowner's responsibility to keep gutters and downspouts free of leaves and debris which could cause overflow.

**Defect:** Water standing in gutters.

**Performance Standard:** Under normal rainfall conditions, and when gutter is unobstructed by debris, the water level should not exceed 1 inch (26mm) in depth. Industry practice is to install gutter approximately level. Consequently, it is entirely possible that small amounts of water will stand in certain sections of gutter immediately after a rain.

**Responsibility:** None.

### **6.3 Garage Doors on Attached Garage**

**Defect:** Garage doors fail to operate properly, under normal use.

**Performance Standard:** Garage doors shall operate properly.

**Responsibility:** Builder will correct or adjust garage doors as required, except where the cause is determined to result from owner actions or negligence.

**Defect:** Garage doors allow entrance of snow or water.

**Performance Standard:** Garage doors shall be installed as recommended by the manufacturer. Some entrance of the elements can be expected under normal conditions.

**Responsibility:** Builder will adjust or correct garage doors to meet manufacturers recommendations.

### **6.4 Wood, Plastic and Metal Windows**

**Defect:** Malfunction of windows.

**Performance Standard:** Windows shall operate with reasonable ease, as designed.

**Responsibility:** Builder will correct or repair as required.

**Defect:** Condensation and/or frost on windows and exterior doors.

**Performance Standard:** Windows and exterior doors will collect condensation on interior surfaces when extreme temperatures differ and high humidity levels are present. Condensation is usually the result of climatic/humidity conditions, created within the home.

**Responsibility:** Unless directly attributed to faulty installation, window and exterior doors condensation is a result of conditions beyond the Builders control. No corrective action is required.

**Defect:** Thermopane window seal failure.

**Performance Standard:** Thermopane windows may at times incur seal failure. An indication that seal failure has occurred is condensation (steam) between two panes of your window.

**Responsibility:** The Builder will replace and install the thermopane in question should seal failure occur in first year of occupancy. Window manufacturer's warranties apply after first year of occupancy.

**Defect:** Air infiltration around doors and windows.

**Performance Standard:** Some infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weatherstripping should be adjusted or replaced. (It may be necessary for the owner to have storm doors and windows installed to provide satisfactory solutions in high wind areas).

**Responsibility:** Builder will adjust or correct poorly fitted doors, windows, or poorly fitted weatherstripping.

## 7.0 FINISHES

### 7.1 Lath and Plaster

<b><u>Defect:</u></b>	Cracks in interior wall and ceiling surfaces.
<b>Performance Standard:</b>	Hairline cracks are not unusual in interior wall and ceiling surfaces. Cracks greater than 1/8 inch (3mm) in width shall be repaired.
<b>Responsibility:</b>	Builder will repair cracks exceeding 1/8 inch (3mm) in width as required, once during the first year period.

### 7.2 Gypsum Wallboard

<b><u>Defect:</u></b>	Defects which appear during the first year, such as nail pops, blisters in tape, or other blemishes.
<b>Performance Standard:</b>	Slight "imperfections" such as nail pops, seam lines and cracks are common in gypsum wallboard installation and are considered acceptable.
<b>Responsibility:</b>	Builder will repair, one time only, during the first year. Crackfilling only, sanding and painting is owners responsibility.

### 7.3 Ceramic Tile

<b><u>Defect:</u></b>	Ceramic tile cracks or becomes loose.
<b>Performance Standard:</b>	Ceramic tile shall not crack or become loose.
<b>Responsibility:</b>	The Builder will replace cracked tiles and resecure loose tiles unless the defects were caused by the owner's action or negligence. Builder will not be responsible for discontinued patterns or color variations in tile.

<b><u>Defect:</u></b>	Cracks appear in grouting of ceramic tile joints or at junctions with other material such as bathtubs.
<b>Performance Standard:</b>	Cracks in grouting or ceramic tile joints are commonly due to normal shrinkage conditions.
<b>Responsibility:</b>	None.

### 7.4 Finished Wood Flooring

<b><u>Defect:</u></b>	Cracks developing between floor boards.
<b>Performance Standard:</b>	Cracks developing to in excess of (1/18) of an inch (3mm) should not occur.
<b>Responsibility:</b>	Builder will repair cracks in excess of one sixteenth (1/16) of an inch (3mm) within the first year by rifling or replacing at builders option. Builder is not responsible for variation in color or grain of wood.

### 7.5 Resilient Flooring

<b><u>Defect:</u></b>	Nail pops appear on the surfaces of resilient flooring.
<b>Performance Standard:</b>	Readily apparent nail pops should be repaired.
<b>Responsibility:</b>	Builder will correct nail pops. Builder will repair or replace, at Builder's option, resilient floor covering in the affected area with similar material. Builder will not be responsible for discontinued patterns or color variations in the floor covering.
<b><u>Defect:</u></b>	Depressions or ridges appear in the resilient flooring due to subfloor irregularities.

**Performance Standard:** Readily apparent depressions or ridges exceeding 1/8 inch (3mm) shall be repaired. The ridge or depression measurement is taken as the gap created at one end of a six-inch (150mm) straightedge placed over the depression or ridge with three inches of the straightedge on one side of defect held tightly to the floor.

**Responsibility:** Builder will take corrective action as necessary to bring the defect within acceptable tolerance so that the affected area is not readily visible. Builder will not be responsible for discontinued patterns or color variations in floor covering.

**Defect:** Resilient flooring loses adhesion.

**Performance Standard:** Resilient flooring should not lift, bubble, or become unglued.

**Responsibility:** Builder will repair or replace, at Builder's option, the affected resilient flooring as required. Builder will not be responsible for discontinued patterns or color variations of floor covering, or for problems caused by owner neglect or abuse.

**Defect:** Seams or shrinkage gaps show at resilient flooring joints.

**Performance Standards:** Gaps should not exceed 1/16 inch (1.5mm) in width in resilient floor covering joints. Where dissimilar material abut, a gap not to exceed 1/8 inch (3mm) is permissible.

**Responsibility:** Builder will repair or replace, at Builder's option, the affected resilient flooring as required. Builder will not be responsible for discontinued patterns or color variations of floor covering, or for problems caused by owner neglect or abuse.

**Defect:** Spots appearing in the flooring.

**Performance Standards:** Such spots should not appear in the flooring under normal wear and tear.

**Responsibility:** The Builder will repair or replace the affected areas, at builder's option. The Builder will not be responsible for discontinued patterns or color variations of floor covering, or for problems caused by owner neglect or abuse.

## 7.6 Painting

**Defect:** Exterior paint or stain peels, deteriorates or fades.

**Performance Standard:** Exterior paints or stains should not fail during the first year. However, fading is normal and the degree is dependent on climatic conditions.

**Responsibility:** If paint or stain is defective, Builder will properly prepare and refinish affected areas, matching color as close as possible. Where finish deterioration affects the majority of the wall area, the whole area will be refinished.

**Defect:** Painting required as a consequential repair because of other work.

**Performance Standard:** Repairs required under this Warranty shall be to refinish the entire affected wall or ceiling area. An exact match of texture and color of the repaired and refinished wall or ceiling surface with adjacent wall or ceiling surface cannot be guaranteed.

**Responsibility:** Builder will finish repair areas as indicated, wall surface texture and exact color match cannot be guaranteed.

**Defect:** Deterioration of varnish or lacquer finishes.

**Performance Standard:** Natural finishes on interior woodwork should not deteriorate during the first year of ownership. However, varnish type finishes used on the exterior will deteriorate rapidly and are not covered by the Warranty.

Responsibility: Builder will retouch affected areas of natural finish interior woodwork, matching the color as closely as possible.

**Defect:** Mildew or fungus on painted surfaces.

Performance Standard: Mildew or fungus will form on a painted surface if the structure is subject to abnormal exposures (i.e., rainfall, ocean, lake, or river front).

Responsibility: Mildew or fungus formation if a condition the Builder cannot control, unless it is a result of noncompliance with other sections of the Performance Standards.

## **7.7 Wall Covering**

**Defect:** Peeling of wall covering.

Performance Standard: Peeling of wall covering should not occur.

Responsibility: Builder will repair or replace defect wall covering applications.

## **7.8 Carpeting**

**Defect:** Open carpet seams

Performance Standard: Carpet seams will show. However, no visible gap is acceptable.

Responsibility: Builder will correct.

**Defect:** Carpeting becomes loose, seams separate or stretching occurs.

Performance Standard: Wall to wall carpeting, installed as the primary floor covering, when stretched and secured properly should not come up, become loose, or separate from its point of attachment.

Responsibility: Builder will restretch or resecure carpeting once during first year if needed, if original installation was performed by Builder.

**Defect:** Spots on carpet, minor fading.

Performance Standard: Exposure to light may cause spots on carpet and/or fading.

Responsibility: None.

## **7.9 Special Coatings**

**Defect:** Cracks in exterior stucco wall surfaces.

Performance Standard: Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than 1/8 inch (3mm) in width should be repaired.

Responsibility: Builder will repair cracks exceeding 1/8 inch in width, during the first year. Builder shall not be responsible for color variations.

## **8.0 SPECIALTIES**

### **8.1 Louvers and Vents**

**Defect:** Inadequate ventilation of attics and crawl spaces.

Performance Standard: Attic and crawl spaces should be ventilated as required by the approved building code.

Responsibility: Builder shall provide for adequate ventilation.



## 8.2 Fireplaces

**Defect:** Fireplace or chimney does not draw properly.

**Performance Standard:** A properly designed and constructed fireplace and chimney should function properly. It is normal to expect that high winds can cause temporary negative draft, situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some homes may need to have a window opened slightly to create an effective draft if they have been insulated and weatherproofed to meet high energy conservation criteria

**Responsibility:** Builder will determine the cause of malfunction and correct, if the problem is one of design or construction of the fireplace.

**Defect:** Chimney separation from structure to which it is attached.

**Performance Standard:** Newly built chimneys will often incur slight amounts of movement from the main structure. movement shall not exceed 3/8 inch (9mm) in any 10 foot (305mm) vertical measurement.

**Responsibility:** Builder will determine the cause of movement and correct, if standard is not met. Caulking is acceptable.

**Defect:** Firebox paint changed by fire.

**Performance Standard:** Heat from fires will alter finish.

**Responsibility:** None.

**Defect:** Cracked firebrick and mortar joints.

**Performance Standard:** Heat and flames from "roaring" fires will cause cracking.

**Responsibility:** None.

## 9.0 Countertops and Cabinets

**Defect:** Surface cracks, joint delaminations and chips in high pressure laminates on vanity and kitchen cabinet countertops.

**Performance Standard:** Countertops fabricated with high pressure laminate coverings should not delaminate.

**Responsibility:** Builder will repair or replace delaminated coverings to meet specified criteria. Builder will not be responsible for chips and cracks noted following occupancy.

**Defect:** Kitchen cabinet malfunctions.

**Performance Standard:** Warpage not to exceed 1/4 inch (6mm) as measured from face frame to point of furthest warpage with door or drawer front in closed position.

**Responsibility:** Builder will correct or replace doors or drawer fronts.

**Defect :** Gaps between cabinets, ceiling or walls.

**Performance Standard:** Acceptable tolerance is 1/4 inch (6mm) in width.

**Responsibility:** Builder will correct to meet performance standard.

# Good As Gold!

## RESIDENTIAL NEW HOME WARRANTY

### CONFIRMATION OF WARRANTY REGISTRATION

REGISTRATION NUMBER

106725

DATE

8/9/99

#### A. BUILDER INFORMATION: Builder No: LEED01

Builder Company Name: LEEDA 41 DEVELOPMENTS CORP.

Address 102 - 1668 W. BROADWAY

VANCOUVER BC

V6J 1X6

Phone Number: 604-730-8382

Fax Number: 604-730-9982

#### B. LOCATION OF HOME: Civic Address: #105, 3028 - W. 41ST AVENUE, VANCOUVER, BC V6N 3C9

Legal Description: SL 7, LOT P OF LOTS 6&7, BLK 1-3, DL 321, LMP 33612

Building Permit No.(if available): BU409366

Issued By: CITY OF VANCOUVER

Date: 6/17/98

Type of Sale Spec

Estimated Date of Completion: 8/30/99

C. TYPE OF HOME Condo

TYPE OF OWNERSHIP Condominium

#### D. TYPE OF COVERAGE

2 Years Materials and Workmanship, 5 Year Building Envelope, 10 Years Major Structural

Warranty coverage on this home is hereby confirmed.

SIGNED

  
RESIDENTIAL WARRANTY CO. OF CANADA  
AUTHORIZED REPRESENTATIVE

**RESIDENTIAL** WARRANTY COMPANY  
of CANADA INC.

# Good As Gold!

## RESIDENTIAL NEW HOME WARRANTY

### CONFIRMATION OF WARRANTY REGISTRATION

REGISTRATION NUMBER

106724

DATE

8/9/99

#### A. BUILDER INFORMATION: Builder No: LEED01

Builder Company Name: LEEDA 41 DEVELOPMENTS CORP.

Address 102 - 1668 W. BROADWAY

VANCOUVER BC

V6J 1X6

Phone Number: 604-730-8382

Fax Number: 604-730-9982

#### B. LOCATION OF HOME: Civic Address: #103, 3028 - W 41ST AVE, VANCOUVER, BC V6N 3C9

Legal Description: SL 8, LOT P OF LOST 6&7, BLK 1-3, DL 321, LMP 33612

Building Permit No.(if available): BU409366

Issued By: CITY OF VANCOUVER

Date: 6/17/98

Type of Sale Spec

Estimated Date of Completion: 8/30/99

C. TYPE OF HOME Condo


TYPE OF OWNERSHIP Condominium

#### D. TYPE OF COVERAGE

2 Years Materials and Workmanship, 5 Year Building Envelope, 10 Years Major Structural

Warranty coverage on this home is hereby confirmed.

SIGNED

  
RESIDENTIAL WARRANTY CO. OF CANADA  
AUTHORIZED REPRESENTATIVE

**RESIDENTIAL** WARRANTY COMPANY  
of CANADA INC.

# Good As Gold!

## RESIDENTIAL NEW HOME WARRANTY

### CONFIRMATION OF WARRANTY REGISTRATION

REGISTRATION NUMBER

106723

DATE

8/9/99

#### A. BUILDER INFORMATION: Builder No: LEED01

Builder Company Name: LEEDA 41 DEVELOPMENTS CORP.

Address 102 - 1668 W. BROADWAY

VANCOUVER BC

V6J 1X6

Phone Number: 604-730-8382

Fax Number: 604-730-9982

#### B. LOCATION OF HOME: Civic Address: #102, 3028 - W 41ST AVE, VANCOUVER, BC V6N 3C9

Legal Description: SL 9, LOT P OF LOST 6&7, BLK 1-3, DL LOT 321, LMP 33612

Building Permit No.(if available): BU409366

Issued By: CITY OF VANCOUVER

Date: 6/17/98

Type of Sale Spec

Estimated Date of Completion: 8/30/99

#### C. TYPE OF HOME Condo


TYPE OF OWNERSHIP Condominium

#### D. TYPE OF COVERAGE

2 Years Materials and Workmanship, 5 Year Building Envelope, 10 Years Major Structural

Warranty coverage on this home is hereby confirmed.

SIGNED

  
RESIDENTIAL WARRANTY CO. OF CANADA  
AUTHORIZED REPRESENTATIVE

**RESIDENTIAL** WARRANTY COMPANY  
of CANADA INC.

# Good As Gold!

## RESIDENTIAL NEW HOME WARRANTY

### CONFIRMATION OF WARRANTY REGISTRATION

REGISTRATION NUMBER

106722

DATE

8/9/99

#### A. BUILDER INFORMATION: Builder No: LEED01

Builder Company Name: LEEDA 41 DEVELOPMENTS CORP.

Address 102 - 1668 W. BROADWAY  
VANCOUVER BC  
V6J 1X6

Phone Number: 604-730-8382

Fax Number: 604-730-9982

#### B. LOCATION OF HOME: Civic Address: #101, 3028 W. 41ST AVE, VANCOUVER, BC V6N 3C9

Legal Description: SL 10, LOT P OF LOTS 6&7, BLK 1,-3, DL 321, LMP33612

Building Permit No.(if available): BU409366

Issued By: CITY OF VANCOUVER

Date: 6/17/98

Type of Sale Spec

Estimated Date of Completion: 8/30/99

C. TYPE OF HOME Condo


TYPE OF OWNERSHIP Condominium

#### D. TYPE OF COVERAGE

2 Years Materials and Workmanship, 5 Year Building Envelope, 10 Years Major Structural

Warranty coverage on this home is hereby confirmed.

SIGNED

  
RESIDENTIAL WARRANTY CO. OF CANADA  
AUTHORIZED REPRESENTATIVE

**RESIDENTIAL** WARRANTY COMPANY  
of CANADA INC.

# Good As Gold!

## RESIDENTIAL NEW HOME WARRANTY

### CONFIRMATION OF WARRANTY REGISTRATION

REGISTRATION NUMBER

106727

DATE

8/9/99

#### A. BUILDER INFORMATION: Builder No: LEED01

Builder Company Name: LEEDA 41 DEVELOPMENTS CORP.

Address 102 - 1668 W. BROADWAY

VANCOUVER BC

V6J 1X6

Phone Number: 604-730-8382

Fax Number: 604-730-9982

#### B. LOCATION OF HOME: Civic Address: PH2, 3050 - W. 41ST AVENUE, VANCOUVER, BC V6N 3C9

Legal Description: SL 11, LOT P OF LOTS 6&7, BLK 1-3, DL 321, LMP 33612

Building Permit No.(if available): BU409366

Issued By: CITY OF VANCOUVER

Date: 6/17/98

Type of Sale Spec

Estimated Date of Completion: 8/30/99

C. TYPE OF HOME Condo

TYPE OF OWNERSHIP Condominium

#### D. TYPE OF COVERAGE

2 Years Materials and Workmanship, 5 Year Building Envelope, 10 Years Major Structural

Warranty coverage on this home is hereby confirmed.

SIGNED

  
RESIDENTIAL WARRANTY CO. OF CANADA  
AUTHORIZED REPRESENTATIVE

**RESIDENTIAL** WARRANTY COMPANY  
OF CANADA INC.

# Good As Gold! RESIDENTIAL NEW HOME WARRANTY

## CONFIRMATION OF WARRANTY REGISTRATION

REGISTRATION NUMBER

106728

DATE

8/9/99

### A. BUILDER INFORMATION: Builder No: LEED01

Builder Company Name: LEEDA 41 DEVELOPMENTS CORP.

Address 102 - 1668 W. BROADWAY  
VANCOUVER BC  
V6J 1X6

Phone Number: 604-730-8382

Fax Number: 604-730-9982

### B. LOCATION OF HOME: Civic Address: PH3, 3050 - 2. 41ST AVENUE, VANCOUVER, BC V6N 3C9

Legal Description: SL 12, LOT P OF LOTS 6&7, BLK 1-3, DL 321, LMP 33612

Building Permit No.(if available): BU409366

Issued By: CITY OF VANCOUVER

Date: 6/17/98

Type of Sale Spec

Estimated Date of Completion: 8/30/99

C. TYPE OF HOME Condo

TYPE OF OWNERSHIP Condominium

### D. TYPE OF COVERAGE

2 Years Materials and Workmanship, 5 Year Building Envelope, 10 Years Major Structural

Warranty coverage on this home is hereby confirmed.

SIGNED

  
RESIDENTIAL WARRANTY CO. OF CANADA  
AUTHORIZED REPRESENTATIVE

**RESIDENTIAL** WARRANTY COMPANY  
OF CANADA INC.

# Good As Gold!

## RESIDENTIAL NEW HOME WARRANTY

### CONFIRMATION OF WARRANTY REGISTRATION

REGISTRATION NUMBER

106730

DATE

8/9/99

#### A. BUILDER INFORMATION: Builder No: LEED01

Builder Company Name: LEEDA 41 DEVELOPMENTS CORP.

Address 102 - 1668 W. BROADWAY  
VANCOUVER BC  
V6J 1X6

Phone Number: 604-730-8382

Fax Number: 604-730-9982

#### B. LOCATION OF HOME: Civic Address: PH6, 3050 W. 41ST AVENUE, VANCOUVER, BC V6N 3C9

Legal Description: SL 13, LOT P OF LOTS 6&7, BLK 1-3, DL 321, LMP 33612

Building Permit No.(if available): BU409366

Issued By: CITY OF VANCOUVER

Date: 6/17/98

Type of Sale Spec

Estimated Date of Completion: 8/30/99

C. TYPE OF HOME Condo

TYPE OF OWNERSHIP Condominium

#### D. TYPE OF COVERAGE

2 Years Materials and Workmanship, 5 Year Building Envelope, 10 Years Major Structural

Warranty coverage on this home is hereby confirmed.

SIGNED

  
RESIDENTIAL WARRANTY CO. OF CANADA  
AUTHORIZED REPRESENTATIVE

**RESIDENTIAL** WARRANTY COMPANY  
of CANADA INC.



# Good As Gold! RESIDENTIAL NEW HOME WARRANTY

## CONFIRMATION OF WARRANTY REGISTRATION

REGISTRATION NUMBER

106731

DATE

8/9/99

### A. BUILDER INFORMATION: Builder No: LEED01

Builder Company Name: LEEDA 41 DEVELOPMENTS CORP.

Address 102 - 1668 W. BROADWAY

VANCOUVER BC

V6J 1X6

Phone Number: 604-730-8382

Fax Number: 604-730-9982

### B. LOCATION OF HOME: Civic Address: PH7, 3050 W. 41ST AVENUE, VANCOUVER, BC V6N 3C9

Legal Description: SL 14, LOT P OF LOTS 6&7, BLK 1-3, DL 321, LMP 33612

Building Permit No.(if available): BU409366

Issued By: CITY OF VANCOUVER

Date: 6/17/98

Type of Sale Spec

Estimated Date of Completion: 8/30/99

C. TYPE OF HOME Condo

TYPE OF OWNERSHIP Condominium

### D. TYPE OF COVERAGE

2 Years Materials and Workmanship, 5 Year Building Envelope, 10 Years Major Structural

Warranty coverage on this home is hereby confirmed.

SIGNED

  
RESIDENTIAL WARRANTY CO. OF CANADA  
AUTHORIZED REPRESENTATIVE

**RESIDENTIAL** WARRANTY COMPANY  
OF CANADA INC.

# Good As Gold!

## RESIDENTIAL NEW HOME WARRANTY

### CONFIRMATION OF WARRANTY REGISTRATION

REGISTRATION NUMBER

106732

DATE

8/9/99

#### A. BUILDER INFORMATION: Builder No: LEED01

Builder Company Name: LEEDA 41 DEVELOPMENTS CORP.

Address 102 - 1668 W. BROADWAY  
VANCOUVER BC  
V6J 1X6

Phone Number: 604-730-8382

Fax Number: 604-730-9982

#### B. LOCATION OF HOME: Civic Address: PH8, 3050 - W. 41ST AVENUE, VANCOUVER, BC V6N 3C9

Legal Description: SL 15, LOT P OF LOTS 6&7, BLK 1-3, DL 321, LMP33612

Building Permit No.(if available): BU409366

Issued By: CITY OF VANCOUVER

Date: 6/17/98

Type of Sale Spec

Estimated Date of Completion: 8/30/99

C. TYPE OF HOME Condo

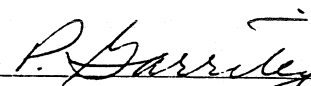
TYPE OF OWNERSHIP Condominium

#### D. TYPE OF COVERAGE

2 Years Materials and Workmanship, 5 Year Building Envelope, 10 Years Major Structural

Warranty coverage on this home is hereby confirmed.

SIGNED

  
RESIDENTIAL WARRANTY CO. OF CANADA  
AUTHORIZED REPRESENTATIVE

**RESIDENTIAL** WARRANTY COMPANY  
of CANADA INC.

# Good As Gold! RESIDENTIAL NEW HOME WARRANTY

## CONFIRMATION OF WARRANTY REGISTRATION

REGISTRATION NUMBER

106729

DATE

8/9/99

### A. BUILDER INFORMATION: Builder No: LEED01

Builder Company Name: LEEDA 41 DEVELOPMENTS CORP.

Address 102 - 1668 W. BROADWAY  
VANCOUVER BC  
V6J 1X6

Phone Number: 604-730-8382

Fax Number: 604-730-9982

### B. LOCATION OF HOME: Civic Address: PH5, 3050 W. 41ST AVENUE, VANCOUVER, BC V6N 3C9

Legal Description: SL 16, LOT P OF LOTS 6&7, BLK 1-3, DL 321, LMP 33612

Building Permit No.(if available): BU409366

Issued By: CITY OF VANCOUVER

Date: 6/17/98

Type of Sale Spec

Estimated Date of Completion: 8/30/99

C. TYPE OF HOME Condo

TYPE OF OWNERSHIP Condominium

### D. TYPE OF COVERAGE

2 Years Materials and Workmanship, 5 Year Building Envelope, 10 Years Major Structural

Warranty coverage on this home is hereby confirmed.

SIGNED

  
RESIDENTIAL WARRANTY CO. OF CANADA  
AUTHORIZED REPRESENTATIVE

**RESIDENTIAL** WARRANTY COMPANY  
of CANADA INC.

# Good As Gold!

## RESIDENTIAL NEW HOME WARRANTY

### CONFIRMATION OF WARRANTY REGISTRATION

REGISTRATION NUMBER

106726

DATE

8/9/99

#### A. BUILDER INFORMATION: Builder No: LEED01

Builder Company Name: LEEDA 41 DEVELOPMENTS CORP.

Address 102 - 1668 W. BROADWAY

VANCOUVER BC

V6J 1X6

Phone Number: 604-730-8382

Fax Number: 604-730-9982

#### B. LOCATION OF HOME: Civic Address: PH1, 3050 W. 41ST AVENUE, VANCOUVER, BC V6N 3C9

Legal Description: SL 17, LOT P OF LOTS 6&7, BLK 1-3, DL 321, LMP 33612

Building Permit No.(if available): BU409366

Issued By: CITY OF VANCOUVER

Date: 6/17/98

Type of Sale Spec

Estimated Date of Completion: 8/30/99

C. TYPE OF HOME Condo

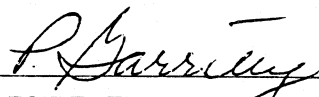
TYPE OF OWNERSHIP Condominium

#### D. TYPE OF COVERAGE

2 Years Materials and Workmanship, 5 Year Building Envelope, 10 Years Major Structural

Warranty coverage on this home is hereby confirmed.

SIGNED

  
RESIDENTIAL WARRANTY CO. OF CANADA  
AUTHORIZED REPRESENTATIVE

**RESIDENTIAL** WARRANTY COMPANY  
OF CANADA INC.



This will certify  
LEEDA 41 DEVELOPMENTS CORP.

is a  
Registered Member  
of the  
**Good As Gold!**  
New Home Warranty Program




June 25, 1999 – June 25, 2000

Valid Thru:

LEED-01

Registration No.:

Per:

  
Residential Warranty Company of Canada Inc.



#102, 10446 - 122 Street  
Edmonton, Alberta T5N 1M3  
Phone: (780) 488-6040  
Fax: (780) 488-6027

# Good As Gold!

**FOR OFFICE USE ONLY**  
BUILDER REGISTRATION NO. \_\_\_\_\_

## NOTICE OF POSSESSION

WARRANTY CERTIFICATE NO. \_\_\_\_\_

### THIS IS NOT A WARRANTY CERTIFICATE

WE, THE UNDERSIGNED, AFTER DUE INSPECTION, ACCEPT THE HOME BUILT BY:

Builder Name: \_\_\_\_\_ Job No.: \_\_\_\_\_  
New Home Address: \_\_\_\_\_  
City: \_\_\_\_\_ Postal Code: \_\_\_\_\_  
Legal Description: \_\_\_\_\_  
Type of Dwelling: \_\_\_\_\_ Unit No.: \_\_\_\_\_

### BUILDER PURCHASER CERTIFICATION

THE BUILDER AND PURCHASER CERTIFIES TO THE GOOD AS GOLD NEW HOME WARRANTY THAT:

1. The home described on the face hereof was substantially completed, was inspected by us and ready for possession on the possession date shown, subject only to the completion of items more particularly set out below.
2. The builder granted possession of the home to the named purchaser(s) on the date specified below. The Good As Gold warranty granted by the builder and Residential Warranty Company of Canada Inc. is effective from that date.
3. The Good As Gold warranty does not cover patent or latent defects in materials, appliances, design and workmanship supplied by the purchaser(s) and any resultant damage to the materials, appliances, design, and workmanship supplied by the builder.
4. The Good As Gold warranty is not a guarantor of completion of the home construction contract or patent defects.
5. Warranty items include the repairing of latent defects in the construction and the repair or replacement of defective materials supplied by the builder where such latent defect became manifest in the 12 month period only following date of possession.
6. The purchaser(s) agree(s) to fulfill the obligations set forth in the warranty certificate.
7. The warranty does not extend to work or material supplied by the purchaser(s).

### THIS SECTION TO BE COMPLETED BY BUILDER AND PURCHASER

CONTRACT ITEMS TO BE COMPLETED OF CORRECTED BY BUILDER (if additional space needed attach additional sheet)

### TYPE OF WARRANTY

ITEMS NOT COVERED BY WARRANTY

☐

FULL

☐

PARTIAL

### BUILDER TO RECORD SUB-TRADES

Basement \_\_\_\_\_  
Plumbing \_\_\_\_\_  
Flooring \_\_\_\_\_  
Drywall \_\_\_\_\_

Framing \_\_\_\_\_  
Electrical \_\_\_\_\_  
Siding \_\_\_\_\_  
Other \_\_\_\_\_

### PURCHASER INFORMATION

Purchaser: \_\_\_\_\_  
Date of Possession: \_\_\_\_\_ Phone No.: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_ Postal Code: \_\_\_\_\_

**NOTE: IT IS A CONDITION OF WARRANTY THAT THIS "NOTICE OF POSSESSION" MUST BE COMPLETED BY THE BUILDER AND BY THE PURCHASER AND RETURNED TO RESIDENTIAL WARRANTY TO EFFECT ISSUANCE OF THE WARRANTY CERTIFICATE.**

DATE

SIGNATURE OF BUILDER

DATE

SIGNATURE OF PURCHASER

**EXHIBIT G**

**CONDOMINIUM ACT  
(Section 31)**

**RENTAL DISCLOSURE STATEMENT**

1. The proposed strata plan in respect of which this statement is made is municipally located at 3038 West 41st Avenue in the City of Vancouver and is located on lands legally described as:

City of Vancouver  
Lot P  
Block 2  
District Lot 321  
New Westminster District  
Plan LMP33612

and will contain 11 Residential Strata Lots in the strata plan.

2. The residential strata lots described below are under lease as of the date of this statement and the owner/developer intends to lease each strata lot until the date set out opposite its description.  
  
Nil.
3. The owner/developer reserves the right to itself and/or subsequent owners to lease any and all of the proposed strata lots for an indefinite period.
4. There is presently no bylaw of the strata corporation which limits the number of strata lots that may leased by the owners.

DATED as of this \_\_\_\_\_ day of \_\_\_\_\_, 1999.

**LEEDA 41 DEVELOPMENTS CORP.**

Per: \_\_\_\_\_  
Authorized Signatory

## EXHIBIT H

### OFFER TO PURCHASE AND AGREEMENT OF SALE

The Vendor: LEEDA 41 DEVELOPMENTS CORP.  
c/o 1908 Cathedral Place, 925 West Georgia Street  
Vancouver, B.C. V6C 3L2

The Purchaser: Full Name - ID Number(s) \_\_\_\_\_  
Address \_\_\_\_\_  
Telephone and Fax Numbers \_\_\_\_\_

The Purchaser hereby offers and, if this offer is accepted by the Vendor, agrees to purchase from the Vendor the strata lot (the "Strata Lot") described below at the price and upon the terms set forth below. The purchase of the Strata Lot will include \_\_\_ parking stall(s).

The Purchaser acknowledges that the Purchaser is purchasing either a commercial or residential strata lot constructed in accordance with those strata plans (the "Strata Plans") attached as Schedule "A" to the restated disclosure statement for the Development (as herein defined) filed June 19, 1997 (the "Disclosure Statement"), and plans set out in Schedule "B" of this offer.

#### 1. Description of Strata Lot

1.1 The Strata Lot is that strata lot which is part of the residential and commercial condominium complex (the "Development") constructed upon the lands and premises located at 3028-3050 West 41st Avenue, Vancouver, B.C. (the "Lands") which Strata Lot is located in the area shown on the Strata Plan as Strata Lot \_\_\_\_\_.

#### 2. Purchase Price and Terms

2.1 The purchase price (the "Purchase Price") for the Strata Lot, is \_\_\_\_\_ (\$ \_\_\_\_\_) exclusive of Goods and Services Tax. The Purchase Price will be paid by the Purchaser to the Vendor as follows:

- (a) \$ \_\_\_\_\_ 10% deposit payable at the time of the offer,
- (b) \$ \_\_\_\_\_ 10% deposit payable by cheque or bank draft within three (3) days of acceptance by the Vendor;
- (c) Balance on the Completion Date (as hereinafter defined) by solicitor's certified cheque or bank draft

If the Purchaser qualifies for CMHC 95% financing and uses the same in order to purchase the Strata Lot, the deposit will be adjusted accordingly.

2.2 The deposits referred to in clause 2.1(a) and 2.1(b) (collectively, the "Deposit") shall be paid to the Vendor on the dates stipulated in clauses 2.1(a) and 2.1(b) and shall be held in trust by Parolin & Company (the "Vendor's Agent") on behalf of the Vendor with interest accruing thereon from the date such Deposit is paid to and including the Completion Date for the account of the Purchaser unless otherwise specified herein. In the event that the Vendor fails to complete the transaction herein contemplated on the Completion Date, other than by reason



of any act or omission of the Purchaser, the Deposit shall be refunded forthwith to the Purchaser together with all interest accrued thereon. All Deposit cheques shall be made payable to "Parolin & Company, in trust". If the Purchaser does not make any one or more of the Deposit payments required to be made hereunder when due, then the Vendor shall have the right, at its option, to terminate the agreement constituted by the acceptance of this offer (the "Agreement") and all Deposit monies theretofore paid by the Purchaser and all interest thereon shall be absolutely forfeited to the Vendor on account of liquidated damages, without prejudice to the Vendor's other remedies

PARAGRAPHS 3 TO 7 OF THIS AGREEMENT ARE SET OUT IN SCHEDULE "A" ATTACHED HERETO WHICH, TOGETHER WITH SCHEDULES "B" AND "C" FORM AN INTEGRAL PART HEREOF. THE PURCHASER ACKNOWLEDGES THAT HE/SHE HAS READ ALL PARAGRAPHS AND SCHEDULES OF THIS AGREEMENT.

This offer shall be open for acceptance by the Vendor on or before 5:00 p.m. on \_\_\_\_\_, \_\_\_\_ and, upon acceptance by the Vendor signing and returning to the Purchaser a copy of this Offer, there shall be a binding agreement of sale and purchase of the Strata Lot for the Purchase Price, on the terms and subject to the conditions set out herein.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Purchaser

VENDOR'S ACCEPTANCE

This Offer to Purchase is accepted by the Vendor this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

LEEDA 41 DEVELOPMENTS CORP.

per: \_\_\_\_\_

Authorized Signatory

## SCHEDULE "A"

### 3. Completion Date and Lien Holdback Provisions

3.1 The completion of the purchase and sale of the Strata Lot shall take place on or before the 10th business day after the Vendor notifies the Purchaser or the Purchaser's solicitor that title to the Strata Lot has been issued and that the Strata Lot has been approved for occupancy, whether temporary, conditional or final, by the City of Vancouver occupancy permit or letter equivalent ("Occupancy Permit"), which date is estimated to be October , 1999, provided that if the New Westminster/Vancouver Land Title Office is not open for business on such date, then it shall be the next following day that the New Westminster/Vancouver Land Title Office is open for business (the "Completion Date").

3.2 In the event the Completion Date has not occurred by on or before December 31, 2000 or such later date as results from the application of clause 4.1, then the Purchaser may, in his sole discretion, terminate this Agreement by notice in writing to the Vendor whereupon all Deposit monies and accrued interest shall forthwith be returned to the Purchaser and this Agreement shall be deemed null and void, and the Vendor shall have no liability whatsoever to the Purchaser by reason of or in respect of such cancellation.

3.3 The Purchaser shall pay 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") in trust to Parolin & Company (the "Vendor's Solicitors") on the Completion Date. The Lien Holdback shall be held in trust by the Vendor's Solicitors pursuant to the *Condominium Act* and *Builders Lien Act* (or successor statutes) solely in respect of lien claims registered in the Vancouver Land Title Office in connection with work done at the behest of the Vendor and not in respect of any alleged deficiencies in construction or finishing. The Vendor shall authorize the Vendor's Solicitors to invest the Lien Holdback in an interest bearing trust account and to pay to the Vendor on the 56th day after the Strata Lot is conveyed to the Purchaser the Lien Holdback plus interest, if any, earned thereon, less the amount of any builder's lien claims filed against the Strata Lot of which the Purchaser or his solicitor notifies the Vendor's Solicitors in writing by 10:00 a.m. on that day.

### 4. Construction and Construction Warranties

4.1 If the Vendor is delayed from completing construction of the Strata Lot as a result of fire, explosion or accident, howsoever caused, act of any governmental authority, strike, lockout, inability to obtain or delay in obtaining labour, materials or equipment, flood, act of God, delay or failure by carriers or contractors, unavailability of supplies or materials, breakage or other casualty, climatic conditions, interference of the Purchaser, or any other event beyond the control of the Vendor, then the Completion Date will be extended for a period equivalent to such period of delay.

4.2 The Vendor warrants that the Strata Lot shall not contain any urea formaldehyde foam insulation.

4.3 The Purchaser, by the execution of this offer, acknowledges that the Purchaser:

- (a) prior to the execution of this offer, received a copy and was given a reasonable opportunity to read the Disclosure Statement including amendments thereto, if any, filed up to the date hereof and the execution of this offer by the Purchaser constitutes a receipt in respect thereof and the terms of this offer and Agreement are the terms under which the Strata Lot is sold and purchased;
- (b) is aware of a current monthly strata corporation maintenance against the Strata Lot as set out in Schedule E of the Disclosure Statement.

- 4.4 (a) If the Strata Lot is a residential strata lot, the Vendor has obtained new home warranty coverage (the "Residential Warranty Coverage") for the Strata Lot through Kingsway General Insurance Company (the "Insurer"). The Residential Warranty coverage covers two years on material and workmanship, five years on building envelope, and ten years on major structural defects. A copy of the Home Warranty Insurance Strata Owners Form, which sets out coverage, exclusions, and warranty standards and Purchaser's responsibilities, a copy of the Notice of Possession form, and a copy of the Warranty Registration confirmation for the Strata Lot, is attached to the Disclosure Statement. The Purchaser has read and understands the documents referred to in the Disclosure Statement and agrees to complete the Notice of Possession form and/or such other forms as may be required by the Insurer to effect issuance of a warranty certificate for the Strata Lot. Purchaser understands and agrees the warranty, if any, of all appliances and other consumer products included in the Purchase Price are those of the manufacturer or supplier and same are assigned, if permitted by such warranty, to Purchaser, effective on the date of closing. In any event, the Developer shall not be liable for any personal injury or other consequential or secondary damages and/or losses which may arise from or out of any and all defects arising out of the use of said appliances.
- (b) The Developer neither gives nor implies any other form of warranties other than those described in the Disclosure Statement.

## **5. Conveyance, Adjustment, Risk and Possession**

5.1 The Purchaser will prepare and deliver to the Vendor for execution at least three days prior to the Completion Date, a statement of adjustments (the "Statement of Adjustments") and a Form A Freehold Transfer (the "Transfer") conveying the Strata Lot to the Purchaser. The Vendor will execute and deliver the Transfer and Statement of Adjustments to the Purchaser's solicitor on or prior to the Completion Date on the condition that, forthwith upon the deposit of the Transfer in the Lower Mainland Land Title Office and the completion of a post index registration search of the records of the land title office indicating that in the normal course of land title office procedure title to the Strata lot will be issued to the Purchaser, subject only to the encumbrances contemplated in clause 5.5, the balance of the Purchase Price due on the Completion Date shall be paid to the Vendor's Solicitors by solicitor's certified trust cheque or bank draft.

5.2 If the Purchaser is relying upon a new mortgage of the Strata Lot to finance the purchase of the Strata Lot, 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 deposited for registration in the Lower Mainland Land Title Office, but only if, before the deposit of such documents the Purchaser has:

- (a) made available for tender to the Vendor, if requested by the Vendor, that portion of the Purchase Price not secured by the new mortgage; and
- (b) fulfilled all of the new mortgagee's conditions for funding except depositing the mortgage for registration; and
- (c) made available to the Vendor, a lawyer's or notary public's undertaking to pay the Purchase Price upon the deposit of the Transfer and new mortgage documents in the Lower Mainland Land Title Office and the advance by the new mortgagee of the mortgage proceeds and, if such lawyer or notary public is unable to so pay the Purchase Price, to cause the Transfer to be returned to the Vendor upon the Vendor's request.

5.3 The Purchaser will assume all taxes, rates, local improvement assessments, water rates, scavenging rates and assessments of the strata corporation of which the Strata Lot forms part from, and all adjustments both

incoming and outgoing of whatever nature in respect of the Strata Lot shall be made as of, the Completion Date. If the amount of any such taxes, rates or assessments have been levied in respect of a parcel greater than the Strata Lot, the portion thereof which shall be allocated to the Strata Lot shall be determined by prorating the total amount among all of the strata lots in the Development on the basis of the applicable interest upon destruction in each case.

5.4 The Strata Lot shall be at the risk of the Vendor to and including the date preceding the Completion Date and thereafter at the risk of the Purchaser and, in the event of material loss or damage to the Strata Lot occurring before such time by reason of fire, tempest, lightning, earthquake, flood, act of God or explosion, either party may, at its option, by written notice to the other party cancel this Agreement and thereupon the Purchaser shall be entitled to the return of all money theretofore paid hereunder, including the Deposit, and the interest, if any, which has accrued thereon and neither the Vendor nor the Purchaser shall have any further obligation hereunder. If neither party elects to cancel this Agreement, the Purchaser shall be entitled to an assignment of insurance proceeds in respect of the material loss or damage to the Strata Lot which is unrepaired as of the Completion Date, if any. All other remedies and claims of the Purchaser, in the event of such damage, are hereby waived.

5.5 The Vendor shall, on the Completion Date, transfer title to the Strata Lot to the Purchaser free and clear from all liens and encumbrances except for restrictive covenants, reservations and exceptions in the original grant from the Crown, easements, indemnities and rights of way in favour of utilities, public authorities, municipalities and owners of adjacent lands and such other agreements, priority agreements, easements, indemnity agreements, statutory rights of way, equitable charges and restrictive covenants as may be required by the City of Vancouver, and except for existing financing charges if any, which will be dealt with by waiting to pay and discharge them after receipt of the Purchase Price from the Purchaser but, in this event, the Purchaser may pay the Purchase Price to the Vendor's lawyer in trust upon undertaking to pay and discharge the financial charges from the Purchase Price and remit the balance, if any, to the Vendor.

5.6 The Purchaser shall have possession of the Strata Lot on the Completion Date after payment of the balance of the Purchase Price has been made in accordance with clause 5.1 and the sale has been completed.

## **6. Miscellaneous**

6.1 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 by the Purchaser are paid when due, then the Vendor may at its option:

- (a) cancel this Agreement by written notice to the Purchaser and in such event any amounts theretofore paid by the Purchaser to the Vendor including the Deposit and any interest accrued thereon shall be absolutely forfeited to the Vendor on account of the Vendor's liquidated damages without prejudice to the Vendor's other remedies and the Vendor's Agent is authorized to pay the amount held by it and any interest accrued thereon to the Vendor upon written demand therefor by the Vendor; or
- (b) elect to complete the transaction contemplated hereby, 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 by the Purchaser at the rate of 18% per annum from the date upon which such portion and amounts were due to the date upon which such portion and amounts are paid.

The Vendor may cancel this Agreement as provided in clause 7.2(a) at any time after such default by the Purchaser, even if the Vendor has previously elected to complete the transaction contemplated hereby.

6.2 The Purchaser acknowledges and agrees that:

- (a) there are no representations, warranties, conditions or collateral contracts, expressed or implied, statutory or otherwise, or applicable hereto, made by the Vendor or its agents or employees, other than those contained herein; and
- (b) the Purchaser will pay all costs (including solicitors' fees) and taxes whether the same are characterized as sales taxes, purchase taxes, value-added taxes, goods and services taxes or otherwise which are levied or assessed on account of or in connection with the completion of the sale of the Strata Lot (including any social services tax payable in respect of any personal property included in the Purchase Price).

6.3 Any notice to be given to the Vendor or the Purchaser will be well and sufficiently given if deposited in any post office in Vancouver, British Columbia, postage prepaid addressed to such party at, or delivered by hand to, such party's address as set forth above, or to such other address as the party to whom such notice is given may have last notified the other party in writing, and shall be deemed to have been received if delivered, when delivered and if mailed, on the second business day after such mailing.

6.4 Any tender of documents or money under this Agreement may be made upon the solicitor acting for the party upon whom tender is desired.

6.5 The Purchaser may not assign the Purchaser's interest in the Strata Lot or in this Agreement without the prior written consent of the Vendor, such consent not to be unreasonably withheld, and unless the Vendor so consents, the Vendor shall not be required to convey the Strata Lot to anyone other than the Purchaser named herein. In the event the Purchaser assigns his interest in the Strata Lot or in this Agreement to other than a member of his or her immediate family, or to a company controlled by the Purchaser, pursuant to the provisions of this section, the Vendor may, at its option, charge an administration fee equal to 1% of the Purchase Price as consideration for agreeing to the further assignment of the assignee's interest in the Strata Lot or in this Agreement and for agreeing to assign the Strata Lot to anyone other than such assignee.

6.6 This offer and Agreement creates contractual rights only and not any interest in land. The Purchaser covenants and agrees not to register or attempt to register this Agreement or any interest arising hereunder against the Strata Lot, Lands or any portion thereof in the Land Title Office.

6.7 The parties hereto shall do all further acts and things and execute all such further assurances as may be necessary to give full effect to the intent and meaning of this Agreement.

6.8 This offer and Agreement shall constitute the entire agreement between the Vendor and Purchaser and no representations, warranties, guarantees, promises, agreements or previous statements, statutory or otherwise, made by any person or agent, other than those contained in this offer and Agreement or in the Disclosure Statement, shall be binding upon the Vendor. No modification of this offer and Agreement shall be valid unless made in writing and signed by the parties hereto.

#### **SCHEDULE "B"** **PLANS**

The Plans for the Residential Strata Lots are:

the plans prepared by Matthew Cheng Architect Inc., architects, or replacements appointed by the Vendor as architects for the Development, subject to such modifications as may be determined by the architect for

the Development, from time to time, changes required by the City of Vancouver, or other approving authorities or as otherwise permitted herein or accepted by the architect for the Development upon certifications of substantial completion of the Development. Included in the Strata Lot will be one of each of: gas range oven, refrigerator, dishwasher, garburator, hood fan, washer and dryer.

The Plans for Commercial Strata Lots are:

the plans prepared by Matthew Cheng Architect Inc., architects or replacements appointed by the Vendor as architects for the Development from time to time, changes required by the City of Vancouver or other approving authorities or as otherwise permitted herein or accepted by the architect for the Development upon certification of substantial completion of the Development provided that the Purchaser hereby acknowledges that the interior of the Strata Lot will be left for completion by or on behalf of the Purchaser subject only to the following provisions to be made by the Vendor:

- (a) concrete ground floor;
- (b) the boundaries of the Strata Lot in compliance with City of Vancouver requirements;
- (c) electrical service to a control panel for the Strata Lot (with all distribution and lighting connections to be handled, supplied and installed by the Purchaser);
- (d) fire protection sprinkler system for the Strata Lot as required by fire code;
- (e) plumbing connection points to one individual washroom for the Strata Lot; and
- (f) store fronts, including all glass, doors and doorways as contemplated by the architect for the Development.

#### **SCHEDULE "C"** **AGENCY DISCLOSURE**

The Vendor and Purchaser acknowledge having received, read and understood the brochure published by the British Columbia Real Estate Association entitled "Working with a Real Estate Agent" and acknowledge and confirm as follows:

- 1. The Vendor has an agency relationship with \_\_\_\_\_, agent, and \_\_\_\_\_, salesperson
- 2. The Purchaser has an agency relationship with \_\_\_\_\_, agent, and \_\_\_\_\_, salesperson
- 3. The Purchaser and the Vendor have consented to a limited dual agency relationship with \_\_\_\_\_, agent, \_\_\_\_\_, salesperson, and \_\_\_\_\_, salesperson, having signed a limited dual agency agreement dated \_\_\_\_\_.

N.B. If only number 1 has been completed, the Purchaser is acknowledging no agency relationship  
If only number 2 has been completed, the Purchaser is acknowledging no agency relationship