

GRAVELEY HEIGHTS

DISCLOSURE STATEMENT

April 22, 2008

This disclosure statement (the "Disclosure Statement") relates to an offering by 0562242 B.C. Ltd., doing business as "Adobe Construction" ("Adobe"), and Rock En Beam Construction Ltd. ("Rock En Beam"), for the sale of eight residential strata lots (the "Strata Lots") in Vancouver, B.C., in a development known as "Graveley Heights" and located at 1524 Graveley Street, Vancouver, B.C. (the "Development"). In this Disclosure Statement Adobe and Rock En Beam are together referred to as the "Developer".

DEVELOPER

Names: 0562242 B.C. Ltd., doing business as "Adobe Construction",
and Rock En Beam Construction Ltd.

Business Address: 1196 West 59th Avenue, Vancouver, B.C. V6P 1Y3

Address for Service: 3000 – 1055 West Georgia Street, Vancouver, B.C. V6E 3R3

MARKETING OF THE DEVELOPMENT

The Development will be marketed by the following real estate brokerage firm, acting on behalf of the Developer:

Name: Sutton-Centre Realty

Business Address: 3010 Boundary Road, Burnaby, B.C. V5M 4A1

The Developer reserves the right to market the Strata Lots itself or to engage other third party real estate brokerage firms. Any employees, directors or officers of the Developer who market the Strata Lots on behalf of the Developer are not licensed under the *Real Estate Services Act* (British Columbia) and are not acting on behalf of the purchaser.

This Disclosure Statement relates to a development property that is not yet completed. Please refer to Section 7.2 for information on the purchase agreement. That information has been drawn to the attention of _____ [insert purchaser's name], who has confirmed that fact by initialling in the space provided here: _____

DISCLAIMER

This Disclosure Statement has been filed with the Superintendent of Real Estate, but neither the Superintendent, nor any other authority of the government of the Province of British Columbia, has determined the merits of any statement contained in the Disclosure Statement, or whether the Disclosure Statement contains a misrepresentation or otherwise fails to comply with the requirements of the *Real Estate Development Marketing Act*. It is the responsibility of the developer to disclose plainly all material facts, without misrepresentation.

RIGHT OF RESCISSION

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

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

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

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

TABLE OF CONTENTS

1.	THE DEVELOPER	1
1.1	Particulars of Formation	1
1.2	Purpose of Formation and Assets	1
1.3	Registered and Records Office	1
1.4	Directors	1
1.5	Developer's Background	1
1.6	Existing or Potential Conflicts	2
2.	GENERAL DESCRIPTION	2
2.1	General Description of the Development.....	2
2.2	Permitted Uses	3
2.3	Phasing.....	3
3.	STRATA INFORMATION.....	4
3.1	Unit Entitlement	4
3.2	Voting Rights	4
3.3	Common Property and Facilities	4
3.4	Limited Common Property	5
3.5	Bylaws	6
3.6	Parking	6
3.7	Furnishings and Equipment.....	6
3.8	Budget	6
3.9	Utilities and Services	8
3.10	Strata Management Contracts.....	8
3.11	Insurance	9
3.12	Rental Disclosure Statement	10
3.13	Other Proposed Agreements.....	10
3.14	Distribution of Strata Corporation Assets on Winding-Up.....	10
3.15	First Annual General Meeting.....	11
3.16	No Caretaker's Suite	12
3.17	Continuing Sales and Marketing Program.....	12
4.	TITLE AND LEGAL MATTERS	12
4.1	Legal Description	12
4.2	Ownership	12
4.3	Existing Encumbrances and Legal Notations	12
4.4	Proposed Encumbrances	13
4.5	Outstanding or Contingent Litigation or Liabilities	13
4.6	Environmental Matters.....	14
5.	CONSTRUCTION AND WARRANTIES	14
5.1	Construction Dates	14
5.2	Warranties	14
5.3	Previously Occupied Building.....	16

6.	APPROVALS AND FINANCES	16
6.1	Development Approval	16
6.2	Construction Financing.....	16
7.	MISCELLANEOUS	17
7.1	Deposits.....	17
7.2	Purchase Agreement.....	17
7.3	Developer's Commitments	18
7.4	Other Material Facts	18

EXHIBITS

Exhibit A	Proposed Strata Plan
Exhibit B	Form V – Proposed Schedule of Unit Entitlement
Exhibit C	Form Y – Proposed Owner Developers' Notice of Different Bylaws
Exhibit D	Estimated Interim Budget for First Year Operating Expenses
Exhibit E	Estimated Monthly Assessments for First Year
Exhibit F	Rental Disclosure Statement
Exhibit G	Form of Contract of Purchase and Sale
Exhibit H	Proposed Management Agreement

1. THE DEVELOPER

1.1 Particulars of Formation

Adobe is a company incorporated under the *Companies Act* (British Columbia) (now the *Business Corporations Act* (British Columbia)) on April 1, 1998 under incorporation number BC0562242. Rock En Beam is a company incorporated under the *Business Corporations Act* (British Columbia) on October 27, 2004 under incorporation number BC0707266.

1.2 Purpose of Formation and Assets

Adobe was not specifically incorporated for the purpose of developing and marketing the Strata Lots. In addition to owning an interest in the Lands (as defined in Section 4.1), Adobe is the owner of an interest in lands located at 1355 Bute Street, Vancouver, British Columbia. Rock En Beam was specifically incorporated for the purpose of developing and marketing the Strata Lots. Rock En Beam does not have assets other than an interest in the Lands (as defined in Section 4.1).

1.3 Registered and Records Office

The registered and records office for Adobe is located at 300 – 5900 No. 3 Road, Richmond, British Columbia, V6X 3P7. The registered and records office for Rock En Beam is located at 606 – 525 Seymour Street, Vancouver, British Columbia, V6B 3H7.

1.4 Directors

The sole directors of Adobe are Gail L. Arrison and John Gaylie. The sole directors of Rock En Beam are Richard Beauregard and Lorraine Maier.

1.5 Developer's Background

- (a) As set forth in Section 1.2, Adobe was not specifically incorporated for the purpose of developing and marketing the Strata Lots. Also as set forth in Section 1.2, Rock En Beam was specifically incorporated for the purpose of developing and marketing the Strata Lots. As such, the Development will be Rock En Beam's first development in British Columbia. Recent construction projects by Adobe include construction located at 1834 East 6th Avenue and 2888 Vine Street, both in Vancouver, British Columbia. John Gaylie has been involved in the construction industry for over 40 years.
- (b) Neither the Developer, nor any party holding directly or indirectly more than 10% of any class of voting shares (a "Principal Holder") of the Developer, nor any director or officer of the Developer or a Principal Holder, within the ten years before the date of the Developer's declaration attached to this Disclosure Statement, have been subject to any penalties or sanctions imposed by a court or regulatory authority, relating to the sale, lease, promotion or management of

real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud.

- (c) Neither the Developer, nor a Principal Holder, nor any director or officer of the Developer or a Principal Holder, within the five years before the date of the Developer's declaration attached to this Disclosure Statement, was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.
- (d) No director, officer or Principal Holder of the Developer and no director or officer of a Principal Holder, within the five years prior to the date of the Developer's declaration attached to this Disclosure Statement, has been a director, officer or principal holder of any other developer that, while that person was acting in that capacity, that other developer:
 - (i) was subject to any penalties or sanctions imposed by a court or regulatory authority relating to the sale, lease, promotion or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud; or
 - (ii) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

1.6 Existing or Potential Conflicts

There are no existing or potential conflicts of interest among the Developer, the Manager, any directors, officers and Principal Holders of the Developer and Manager, any directors and officers of the Principal Holders and any person providing goods or services to the Developer, the Manager or holders of the Strata Lots in connection with the Development which could reasonably be expected to affect the purchaser's purchase decision.

2. GENERAL DESCRIPTION

2.1 General Description of the Development

The proposed civic address for the Development is 1524 Graveley Street, Vancouver, British Columbia. The address for the Development may change upon completion of the Development. Upon completion, the Development will include the eight residential Strata Lots. Three Strata Lots will be located within a three storey building located in the northeast corner of the Lands (the "Triplex Conversion"), three Strata Lots will be located within a three storey building located in the northwest corner of the Lands (the "New

Triplex”) and two Strata Lots will be located within a three story building located in the south end of the Lands (the “New Duplex”). In this Disclosure Statement, the Triplex Conversion, the New Triplex and the New Duplex are collectively referred to as the “Buildings”. The Strata Lots within the Triplex Conversion are substantially new units for residential occupancy emphasizing the heritage features of the Triplex Conversion and the Strata Lots within both the New Triplex and New Duplex will be new construction.

The Strata Lots will be owned individually. A proportionate share in the common property (the “Common Property”) of the Development and the common facilities and other assets of the strata corporation (the “Strata Corporation”) will be owned by the owners of the Strata Lots together as tenants-in-common. The Strata Corporation is formed automatically on the deposit of a strata plan (the “Strata Plan”) at the Vancouver Land Title Office (the “Land Title Office”).

The Strata Lots will be of the following types:

Two-Bedroom	1
Two-Bedroom and Den	5
Three-Bedroom and Den	<u>2</u>
Total	8

The layout of the Development and the proposed locations and estimated areas of the Strata Lots are set out in the proposed strata plan (the “Proposed Strata Plan”) for the Development, a copy of which is attached as Exhibit A to this Disclosure Statement. The actual layout, dimensions and locations of the Strata Lots as constructed may vary from what is depicted on the Proposed Strata Plan. Further, the layout, dimensions and locations of the Strata Lots shown in any sales brochure or other marketing materials are provided for information purposes only and are not represented as being the actual layout, dimensions and locations of the Strata Lots. The Developer reserves the right to increase or decrease the number, type and size of the Strata Lots from that shown on the Proposed Strata Plan and the right to renumber the Strata Lots prior to filing the final Strata Plan.

2.2 Permitted Uses

The zoning applicable to the Lands permits the construction of the Development. The Strata Lots are to be used for residential purposes. The only restrictions on the use of the Strata Lots are those imposed by the zoning by-laws of the City of Vancouver (the “City”), any charges registered or to be registered against title to the Lands and the bylaws of the Strata Corporation.

2.3 Phasing

The Strata Lots will not be constructed in phases.

3. STRATA INFORMATION

3.1 Unit Entitlement

The unit entitlement ("Unit Entitlement") of each Strata Lot is a number that is used in calculations to determine each Strata Lot's share of:

- (a) the Common Property and common assets of the Development; and
- (b) the common expenses and liabilities of the Strata Corporation.

The Unit Entitlement of the Strata Lots is based on the habitable area, in square metres, of each Strata Lot. The habitable area of the Strata Lots will be measured from the outside face of exterior walls to the centre line of party walls and to the corridor face of common area walls. These measurement standards will be noted and shown by the surveyor on the final Strata Plan. A schedule of the Unit Entitlement for the Strata Lots, which is set out in Form V under the *Strata Property Act* (British Columbia), is attached as Exhibit B to this Disclosure Statement. The calculation of the proposed Unit Entitlement set out in Exhibit B is based on architectural drawings and the actual Unit Entitlement may vary from the proposed Unit Entitlement as it will be calculated on the basis of the final surveyed Strata Plan. The appropriate Form V will be filed in the Land Title Office concurrently with the deposit of the Strata Plan.

3.2 Voting Rights

In accordance with Section 247 of the *Strata Property Act* (British Columbia), the owner of each Strata Lot will have one vote in the Strata Corporation.

3.3 Common Property and Facilities

(a) *Common Property*

Each Strata Lot owner, in addition to his or her own Strata Lot, will own an undivided share of the Common Property based on the Unit Entitlement of the Strata Lot. The Common Property will include, without limitation, the exterior of the Buildings, landscaped areas and pathways, a one level "at-grade" parking facility (the "Parking Facility") located on the ground level of the New Duplex, the access corridors and paths, planter boxes, mail area, electrical room, stairs and a garbage and recycling area.

The Development may also include additional service facilities and equipment (collectively, the "Service Facilities") such as transformers, fire protection systems and equipment, mechanical and electrical systems and equipment, vents, ducts, fans and other such facilities and equipment which may not be depicted on the Proposed Strata Plan, but which may be required by the City in connection with the Development. The Service Facilities will be located as required by the City or as recommended by the Developer's consultants.

The Developer reserves the right to expand and/or reduce the size of any areas designated as Common Property and may designate certain areas and amenities as Limited Common Property (as defined in Section 3.4).

3.4 Limited Common Property

Limited common property ("Limited Common Property") is an area within the Common Property that is designated for the exclusive use of one or more Strata Lot owners. The Developer will designate certain areas as Limited Common Property for some or all of the Strata Lots substantially as set out on the Proposed Strata Plan. These areas will include patios, balconies, decks, certain exterior storage areas, certain planter boxes, the parking stalls (the "Parking Stalls") and ten separate bike lockers (the "Bike Lockers") located within the Parking Facility.

The Bike Lockers are located within the Parking Facility. The Bike Lockers will be designated on the Strata Plan as Limited Common Property so that the owner of each Strata Lot will have the exclusive use of at least one Bike Locker. A designation of Limited Common Property on the Strata Plan may only be removed by unanimous resolution of the members of the Strata Corporation.

The Developer reserves the right to expand and/or reduce the size of any areas designated as Limited Common Property for the exclusive use of one or more of the Strata Lots or change any designation from Limited Common Property to Common Property, and *vice versa*. For greater certainty, the Developer reserves the right to designate additional areas as Limited Common Property for the exclusive use of certain Strata Lots as it considers appropriate.

The bylaws of the Strata Corporation provide that the owner of a Strata Lot is responsible for maintaining and repairing the Limited Common Property that such Owner has the use of, other than the following repair and maintenance which is the responsibility of the Strata Corporation:

- (a) repair and maintenance that in the ordinary course of events occurs less than once a year; and
- (b) the following, no matter how often the repair or maintenance occurs:
 - (i) the structure of a building;
 - (ii) the exterior of a building;
 - (iii) chimneys, stairs, balconies and other things attached to the exterior of a building;
 - (iv) doors, windows or skylights on the exterior of a building or that front on the Common Property (including, without limitation, the entrance doors to Strata Lots); and

- (v) fences, railings and similar structures that enclose patios, balconies and other areas.

Common expenses of the Strata Corporation that relate to repairing and maintaining Limited Common Property are allocated only to those Strata Lots entitled to use that Limited Common Property, and shared among such Strata Lots on the basis of their relative Unit Entitlement. Any special levy, however, which relates to Limited Common Property will be paid for by the owners of all Strata Lots in proportion to the relative Unit Entitlement of the Strata Lots.

3.5 Bylaws

The initial bylaws of the Strata Corporation will be the Standard Bylaws set forth in the *Strata Property Act* (British Columbia) at the time that the Strata Plan is filed at the Land Title Office, as amended or supplemented by the bylaws set forth in Form Y, a copy of which is attached as Exhibit C to this Disclosure Statement.

3.6 Parking

As noted in Section 3.4, the Parking Stalls will be designated as Limited Common Property so that the owner of each Strata Lot will have the exclusive use of at least one Parking Stall.

3.7 Furnishings and Equipment

The purchase price of a Strata Lot includes the following equipment and appliances:

- Fridge
- Stove
- Microwave
- Washer/Dryer
- Security System
- Hot Water Tank

The above items will not be encumbered except to the extent of any security documentation registered in the Land Title Office and/or the Personal Property Registry including, without limitation, the CWB Security (as defined in Section 4.3), the Additional Security (as defined in Section 4.3) and any general security documents, which documents will be discharged by the Developer in accordance with Section 6.2. Any social service tax or goods and services tax payable in respect of such equipment will be for the account of each purchaser of a Strata Lot.

3.8 Budget

(a) Strata Lot Expenses

- (i) Each Strata Lot owner will be responsible for real property taxes for his or her Strata Lot, together with a proportionate share of the property taxes

levied in respect of the Common Property, calculated based on the Unit Entitlement for the Strata Lot. Property taxes are levied by and payable to the City.

- (ii) Electricity and other utilities supplied to the Common Property, including the electricity and other utilities supplied to the Parking Facility and the exteriors of the Buildings, will be paid by the Strata Corporation and the cost will be prorated amongst the owners of all the Strata Lots in accordance with the Unit Entitlement thereof and included in the monthly assessments.
- (iii) Garbage collection and recycling services will be provided to the Strata Lot owners by the City. The cost of such services may be paid by the Strata Corporation and the cost thereof will be prorated amongst the owners of all of the Strata Lots in accordance with the Unit Entitlement thereof and included in the monthly assessments.
- (iv) With the exception of those utilities listed in Paragraphs 3.8(a)(ii) through (iii) above, all utilities will be separately metered or assessed to each Strata Lot and will be the responsibility of each Strata Lot owner.

The Developer has estimated the rates to be charged by the various utilities providers or the City in preparing the interim budget attached as Exhibit D to this Disclosure Statement and accordingly these rates are subject to adjustment.

(b) Interim Budget

The estimated interim budget for the Strata Corporation for the 12 month period commencing on the first day of the month following the date of the first conveyance of a Strata Lot to a purchaser is attached as Exhibit D to this Disclosure Statement. The Developer will pay all expenses of the Strata Corporation until the first day of the month following the first conveyance of a Strata Lot to a purchaser. Exhibit E to this Disclosure Statement sets out the estimated monthly assessments for each of the Strata Lots. The actual monthly assessments will be calculated based on the Unit Entitlement for each Strata Lot shown on the Form V filed at the Land Title Office at the time that the Strata Plan is filed and monthly assessments will be further adjusted upon the establishment by the Strata Corporation of the actual annual budget of operating expenses following the first annual general meeting of the Strata Corporation.

(c) Interim Budget Shortfalls

The Developer must pay the Strata Corporation's expenses up to the end of the month in which the first conveyance of a Strata Lot to a purchaser occurs. After that month and before the annual budget takes effect, if the Strata Corporation's actual expenses exceed the estimated expenses as set out in the interim budget, the Developer must pay the excess to the Strata Corporation within eight weeks after the first annual general meeting. In addition to paying the amount of the excess expenses, where those excess expenses are 10% greater (but less than 20% greater) or at least 20% greater than the

amounts estimated in the interim budget, Subsection 3.1(1) of the *Strata Property Act Regulation* to the *Strata Property Act* (British Columbia) requires the Developer to pay to the Strata Corporation a further amount equal to two or three times, respectively, multiplied by the amount of the excess, as the case may be.

(d) *Contingency Reserve Fund*

Pursuant to the *Strata Property Act* (British Columbia), the Strata Corporation will establish a contingency reserve fund for common expenses that usually occur less often than once a year or that do not usually occur. The estimated interim budget for the first year operating expenses, attached as Exhibit D to this Disclosure Statement, includes a contribution to the contingency reserve fund. This amount forms part of the monthly assessments set forth on Exhibit E to this Disclosure Statement that are to be paid by the owners of the Strata Lots (including the Developer with respect to those Strata Lots owned by the Developer) commencing on the first day of the month following the month in which the first conveyance of a Strata Lot to a purchaser occurs. Pursuant to the *Strata Property Act* (British Columbia), a developer must establish the contingency reserve fund by making an initial contribution to that fund at the time of the first conveyance of a Strata Lot to a purchaser. The Developer will make an initial contribution to the contingency reserve fund in the amount of 5% of the estimated annual operating expenses, as set out in the interim budget attached as Exhibit D, at the time of the first conveyance of a Strata Lot to a purchaser, provided that if the first conveyance of a Strata Lot to a purchaser occurs later than one year after the deposit of the Strata Plan, the Developer will make such larger contribution to the contingency reserve fund as is required under the *Strata Property Act* (British Columbia).

3.9 Utilities and Services

The Development will be serviced by a water system, electricity, sewerage, natural gas, fire protection, telephone, cablevision and road access. The wires, cables and other equipment (collectively, the "Telecommunications Equipment") for the provision of telephone, cablevision and certain other future telecommunication services may be owned by the supplier of such services and the Telecommunications Equipment may not form part of the Common Property. The purchaser will be responsible for payment of hook-up and other charges payable to the utility suppliers with respect to utilities applied to a Strata Lot.

The Developer may enter into, or may cause the Strata Corporation to enter into, agreements, covenants, easements and statutory rights of way with the City, public utilities or other entities with respect to the provision of utilities, including, without limitation, the provision of telecommunication services (including cablevision) to the Development.

3.10 Strata Management Contracts

The Developer intends to cause the Strata Corporation to enter into a binding management agreement (the "Management Agreement") with a management company

(the "Manager") selected by the Developer with respect to the control, management and administration of the Common Property. Under Section 24 of the *Strata Property Act* (British Columbia), the Management Agreement will terminate automatically on the date that is four weeks after the date of the second annual general meeting of the Strata Corporation unless the Strata Corporation, by majority vote at the second annual general meeting, resolves to continue the Management Agreement. The Management Agreement may also be terminated at any time on two months' notice by: (i) the Strata Corporation if the cancellation is approved by a $\frac{3}{4}$ vote at a meeting of the Strata Corporation; or (ii) the Manager.

The Developer currently intends that the Manager will be Facilitech Property Management Ltd. and a copy of the proposed Management Agreement is attached as Exhibit H to this Disclosure Statement.

Please refer to Section 3.13 for information relating to those agreements which the Developer may, or may cause the Strata Corporation to, enter into with third parties for the provision of services to the Development.

3.11 Insurance

Upon completion of construction, the Developer will place, in the name of the Strata Corporation, insurance for the Development in accordance with the *Strata Property Act* (British Columbia), which will include:

- (a) full replacement value insurance against "major perils" (defined in the *Strata Property Act Regulation* as "fire, lightning, smoke, windstorm, hail, explosion, water escape, strikes, riots or civil commotion, impact by aircraft and vehicles, vandalism and malicious acts") on:
 - (i) the Common Property;
 - (ii) common assets;
 - (iii) buildings shown on the Strata Plan; and
 - (iv) fixtures built or installed on the Strata Lots by the Developer as part of the original construction of the Strata Lots (fixtures are defined in the *Strata Property Act Regulation* as "items attached to a building, including floor and wall coverings and electrical and plumbing fixtures, but does not include, if they can be removed without damage to the building, refrigerators, stoves, dishwashers, microwaves, washers, dryers or other items"); and
- (b) liability insurance to insure the Strata Corporation against liability for property damage and bodily injury, in an amount not less than \$2,000,000.

Each purchaser will be responsible for insuring personal property within his or her own Strata Lot in conjunction with the transfer of such Strata Lot to the purchaser.

3.12 Rental Disclosure Statement

The Developer intends to offer the Strata Lots for sale, however, in the event that the Developer deems it necessary or desirable to lease the same, Section 139 of the *Strata Property Act* (British Columbia) requires that the Developer must disclose to any purchaser the intention to lease the Strata Lots in order to preserve the right of the Developer and the first purchaser from the Developer of each Strata Lot to lease the Strata Lots in the future. Accordingly, the Developer has filed a rental disclosure statement with the Superintendent of Real Estate (the "Superintendent"), a copy of which is attached as Exhibit F to this Disclosure Statement.

3.13 Other Proposed Agreements

The Developer may, or may cause the Strata Corporation or the Manager to, enter into contracts with third parties for the provision of services which are necessary or desirable for the use and enjoyment of the Common Property, the common assets and the Strata Corporation or the Strata Lots including, without limitation, contracts relating to the following:

- (a) landscape maintenance;
- (b) window cleaning;
- (c) fire equipment and alarm system monitoring and maintenance;
- (d) mechanical equipment maintenance;
- (e) electric heating;
- (f) garbage and recycling collection;
- (g) building envelope maintenance and inspections (this contract will be between the Strata Corporation and the reviewing envelope professional and will allow the professional to access the Development in order to perform any necessary maintenance and inspections);
- (h) garage door maintenance; and
- (i) any unregistered agreements required by the City in order to approve all development, building and occupancy permits in respect of the Development.

3.14 Distribution of Strata Corporation Assets on Winding-Up

The voluntary winding-up of the Strata Corporation in the case of the destruction of the Development, in whole or in part, or for any other reason, requires a unanimous resolution of the Strata Corporation and the approval of the Registrar of the Land Title Office. Upon the winding-up of the Strata Corporation and cancellation of the Strata Plan, each Strata Lot owner would become a tenant-in-common, with each other owner, of all of the lands within the Strata Plan, land owned by the Strata Corporation but not

shown on the Strata Plan and personal property held by or on behalf of the Strata Corporation. Each Strata Lot owner's proportionate share of such land and property would be calculated on the basis of the most recent assessed value of each Strata Lot divided by the aggregate of the most recent assessed value of all Strata Lots (other than any owned by the Strata Corporation). If there is no assessed value for any Strata Lot, then the value for the purpose of the foregoing calculation may be determined by an independent appraiser and approved by a $\frac{3}{4}$ vote of the Strata Corporation.

3.15 First Annual General Meeting

The Developer must hold the first annual general meeting of the Strata Corporation within six weeks of the earlier of:

- (a) the date on which 50% plus one of the Strata Lots have been conveyed to purchasers; and
- (b) the date which is nine months after the first conveyance of a Strata Lot to a purchaser.

If the first annual general meeting is not held within the required time, the Developer must pay to the Strata Corporation \$1,000 for a delay of up to 30 days, and a further \$1,000 for each additional delay of seven days.

The Developer must provide copies of the following documents to the Strata Corporation at the first annual general meeting:

- (c) all plans required to obtain a building permit and any amendments to the building permit plans;
- (d) any document in the Developer's possession that indicates the location of pipes, wires, cables, chutes, ducts or other service facilities that are not shown on a plan;
- (e) all contracts entered into by the Strata Corporation;
- (f) any disclosure statement filed under the *Real Estate Development Marketing Act* (British Columbia) and any rental disclosure statement;
- (g) the registered Strata Plan from the Land Title Office;
- (h) the names and addresses of contractors, subcontractors and persons primarily responsible for supplying labour or materials to the Development;
- (i) the names and addresses of any technical consultants, including building envelope specialists, if any;
- (j) the name and address of the project manager; and

- (k) all warranties, manuals, schematic drawings, operating instructions, service guides, manufacturers' documentation and other similar information relating to the Common Property or common assets.

3.16 No Caretaker's Suite

There will not be a caretaker's suite in the Development.

3.17 Continuing Sales and Marketing Program

Following the deposit of the Strata Plan in the Land Title Office, the Developer will continue to carry out, for such period as the Developer determines to be necessary or desirable in connection with the marketing and sales of the Strata Lots, marketing and sales activities within the Common Property and any Strata Lots owned or leased by the Developer, including maintaining display suites, other display areas, landscaping, parking areas and signage. The Developer also reserves the right to place signage in and around any unsold Strata Lots and the Common Property for the duration of the marketing and sales program. The Developer will act reasonably in exercising such rights and will use reasonable efforts to minimize any interference with the use and enjoyment of the Common Property by the Strata Lot owners.

4. TITLE AND LEGAL MATTERS

4.1 Legal Description

The Strata Lots offered for sale pursuant to this Disclosure Statement will be located on those lands (the "Lands") located in Vancouver, British Columbia which are currently legally described as follows:

Parcel Identifier: 026-714-248
Parcel A Block 62 District Lot 264A Group 1
New Westminster District Plan BCP24406.

4.2 Ownership

The Developer is the registered owner of the Lands. Each of Adobe and Rock En Beam hold an undivided $\frac{1}{2}$ interest in the Lands.

4.3 Existing Encumbrances and Legal Notations

The legal notations and encumbrances currently registered against title to the Lands are as follows and, unless otherwise indicated, may remain registered against title to the Strata Lots and bind purchasers following completion:

- (a) *Legal Notations*

There are no legal notations registered against title to the Lands.

(b) Encumbrances

- (i) Mortgage BB252896 (as modified by BB143259) and Assignment of Rents BB252897 (as modified by BB143260) (collectively, the "CWB Security") in favour of Canadian Western Bank ("CWB"). These encumbrances are security for a loan by CWB to finance the construction of the Development. The Developer will discharge the CWB Security from title to each Strata Lot within a reasonable period of time after the transfer thereof to a purchaser (as contemplated in Section 6.2).
- (ii) Mortgage BB219246 (the "Additional Security") in favour of Lorraine Maier (as to an undivided 395/465 interest) and Richard Beauregard (as to an undivided 70/465 interest) (together, the "Additional Lenders"). This encumbrance is security for an additional loan from the Additional Lenders to finance the completion of the construction of the Development. The Developer will discharge the Additional Security from title to each Strata Lot upon the registration of the transfer in respect thereto to the purchaser (as contemplated in Section 6.2).

4.4 Proposed Encumbrances

The following additional encumbrances may be registered against title to the Lands, the Strata Lots or the Common Property:

- (a) encumbrances such as covenants, easements and/or rights of way to be granted in favour of the City, public utilities, public authorities or other entities as may be necessary or desirable to complete the Development;
- (b) all encumbrances required or deemed necessary by the City and/or Her Majesty the Queen in Right of the Province of British Columbia to be registered against title to the Lands in order to approve all development, building and occupancy permits in respect of the development of the Lands; and
- (c) modifications or replacements of the existing encumbrances registered against title to the Lands and priority agreements with respect thereto as may be necessary or desirable to complete the Development.

4.5 Outstanding or Contingent Litigation or Liabilities

The Developer is not aware of any outstanding or contingent litigation or liabilities with respect to the Development or against the Developer which may affect the Strata Corporation or Strata Lot owners, except those items disclosed herein, if any, and trade accounts which are not yet due.

4.6 Environmental Matters

The Developer is not aware of any requirements imposed by the City or other government authorities relating to environmental matters affecting the Lands.

5. CONSTRUCTION AND WARRANTIES

5.1 Construction Dates

The construction of the Development commenced on March 1, 2007. The estimated date for completing the construction of the Development is June 1, 2008. The Developer reserves the right to change the estimated date for completion of construction of the Development. The completion date is an estimate only and is not to be relied upon by purchasers of the Strata Lots for determining the completion dates of their purchases. The completion dates for the purchases of the Strata Lots will be determined in accordance with the contracts of purchase and sale in respect thereof (see to the form of contract of purchase and sale attached as Exhibit G to this Disclosure Statement).

5.2 Warranties

(a) *Equipment Warranties*

Any manufacturers' warranties on any equipment or appliances in a Strata Lot will be assigned to the purchaser of such Strata Lot and any equipment or appliances in the Common Property will be assigned to the Strata Corporation, if and to the extent permitted by such warranties.

(b) *Construction Warranty*

Home warranty insurance for the Strata Lots will be provided by National Home Warranty Programs Ltd. (the "Insurer"), a third party warranty insurance provider authorized by the British Columbia Financial Institutions Commission to provide home warranty insurance. This warranty is in accordance with the provisions of the *Homeowner Protection Act* (British Columbia). The warranty will provide the following minimum standards of coverage to purchasers of the Strata Lots:

- (i) *Materials and Labour Warranty*: Defects in materials and labour for a period for a period of at least two years after the date on which the warranty begins, as follows:
 - (1) in the first 12 months, for other than the Common Property, common facilities and other assets of the Strata Corporation:
 - (A) coverage for any defect in materials and labour; and
 - (B) coverage for a violation of the Building Code to the extent provided for under the *Homeowner Protection Act* (British Columbia);

- (2) in the first 15 months, for the Common Property, common facilities and other assets of the Strata Corporation:
 - (A) coverage for any defect in materials and labour; and
 - (B) coverage for a violation of the Building Code to the extent provided for under the *Homeowner Protection Act* (British Columbia);
- (3) in the first 24 months:
 - (A) coverage for any defect in materials and labour supplied for the electrical, plumbing, heating, ventilation and air conditioning delivery and distribution systems;
 - (B) coverage for any defect in materials and labour supplied for the exterior cladding, caulking, windows and doors that may lead to detachment or material damage to the Strata Lot;
 - (C) coverage for any defect in materials and labour which renders the Strata Lot unfit to live in; and
 - (D) coverage for a violation of the Building Code to the extent provided for under the *Homeowner Protection Act* (British Columbia).
- (ii) *Building Envelope Warranty*: Defects in the building envelope for a period of five years after the date on which the warranty begins.
- (iii) *Structural Defects Warranty*: Structural defects for a period of ten years after the date on which the warranty begins.

The warranty with respect to a Strata Lot will commence on the earlier of the date of actual occupancy of such Strata Lot and the date of transfer of legal title to such Strata Lot from the Developer to the purchaser. The warranty with respect to the Common Property will commence concurrently with the first commencement date of warranty coverage for a Strata Lot in the Development.

Each purchaser of a Strata Lot will be required to sign a Certificate of Possession Form at the time that the purchase of the Strata Lot is completed and, upon receipt of such completed certificate, the Insurer has agreed to issue to the purchaser a Home Warranty Insurance Certificate.

At any time during the warranty period, each purchaser will permit the Developer and the Insurer and their authorized representatives to have access to the Strata Lot, Limited Common Property and the Common Property, upon reasonable notice, to inspect the

Strata Lot, Limited Common Property and the Common Property and to undertake any necessary or desirable maintenance or repairs thereto.

5.3 Previously Occupied Building

This Development consists of the Triplex Conversion, which is considered to be a previously occupied building (notwithstanding the fact that the Developer merely maintained certain heritage aspects of the building which was previously located on the Lands), and the New Triplex and New Duplex, which are newly constructed buildings that have not been previously occupied.

6. APPROVALS AND FINANCES

6.1 Development Approval

The City issued Development Permit No. DE409732 on September 20, 2006 and Building Permit Nos. BU435049, BU435053 and BU435054 on January 30, 2007, all of which allow the construction of the Development as described in this Disclosure Statement. All costs that are the responsibility of the Developer will be paid for in full from the resources of the Developer and the proceeds of the CWB Security and the Additional Security. There are no further expenditures in connection with the construction, utilities or other services in this Development other than those specifically referred to in this Disclosure Statement.

6.2 Construction Financing

The Developer obtained a commitment from CWB for the financing of the construction of the Development. The Developer obtained a further commitment from the Additional Lenders for the financing of the completion of the construction of the Development. The construction financing to be provided by CWB and the Additional Lenders will be sufficient to complete the construction of the Development. In connection with such financing, the CWB Security and the Additional Security have been registered against title to the Lands (see Paragraphs 4.3(b)(i) and (ii) of this Disclosure Statement). CWB will provide a partial discharge of the CWB Security, insofar as it pertains to any particular Strata Lot, within a reasonable period of time after the completion of the sale of such Strata Lot, upon receipt by CWB of the net sale proceeds for the Strata Lot. The Additional Lenders will provide a partial discharge of the Additional Security, insofar as it pertains to any particular Strata Lot, prior to or upon the completion date for such Strata Lot and such discharge (as contemplated in Section 6.2). In accordance with the contracts of purchase and sale (see Section 7.2 of this Disclosure Statement) for the Strata Lots, it will be the Developer's obligation to discharge the CWB Security and the Additional Security from the title to the Strata Lots.

7. MISCELLANEOUS

7.1 Deposits

As required by the *Real Estate Development Marketing Act* (British Columbia), all deposits and other monies received from a purchaser of a Strata Lot will be held by the Developer's agent, Sutton-Centre Realty, in trust, in the manner required by the *Real Estate Development Marketing Act* (British Columbia) until such time as:

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

The interest which accrues on all deposits will be for the account of the Developer only.

7.2 Purchase Agreement

(a) *Form of Contract of Purchase and Sale*

The form of contract of purchase and sale to be used by the Developer for the Strata Lots will be in substantially the form attached as Exhibit G to this Disclosure Statement.

(b) *Termination Provisions*

Section 12 of the contract of purchase and sale allows the Developer to terminate the agreement constituted thereby in those circumstances where the purchaser fails to punctually pay the amounts due to the Developer under the contract of purchase and sale. Section 3.3 of the contract of purchase and sale addendum allows the purchaser to cancel the agreement constituted by the contract of purchase and sale in those circumstances where the completion date has not occurred by September 30, 2008.

(c) *Extension Provisions*

Pursuant to Section 3.2 of the contract of purchase and sale addendum, the Developer may extend the completion date in those circumstances where the Strata Lot is not "Ready to be Occupied" on the previously established completion date by giving the purchaser not less than 48 hours' notice of such extension.

(d) *Assignment Provisions*

The contract of purchase and sale provides contains no restrictions on assignment.

(e) *Interest Provisions*

Section 2.1 of the contract of purchase and sale addendum provides that the interest which accrues on the deposit will be for the account of the Developer only.

7.3 Developer's Commitments

The Developer has not made any commitments that will be met after the completion of the sale of the Strata Lots, except as set out herein. The Developer may not have completed the construction of the Common Property prior to the conveyance of the Strata Lots to individual purchasers due to the seasonal nature of landscaping and additional time required to rectify deficiencies (if any) and to complete certain unsold Strata Lots. In such case, the Developer will cause the Strata Corporation to enter into an agreement in favour of the Developer which allows the Developer to complete such construction. No security will be posted in respect of such construction.

7.4 Other Material Facts

The Developer is not aware of any other material facts that affect, or could reasonably be expected to affect, the value, price or use of a Strata Lot or the Development.


DEEMED RELIANCE

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

DECLARATION

The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of the 22nd day of April, 2008.

0562242 B.C. LTD.

Per: 
John Gaylie

Per: 
Gail Arrison

ROCK EN BEAM CONSTRUCTION LTD.


Per: 
Richard Beauregard

Per: 
Lorraine Maier

SIGNED BY ALL THE DIRECTORS OF THE DEVELOPER IN THEIR PERSONAL CAPACITY, BEING:

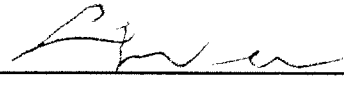
In respect of 0562242 B.C. LTD.:


John Gaylie


Gail Arrison

In respect of ROCK EN BEAM CONSTRUCTION LTD.:


Richard Beauregard


Lorraine Maier

SOLICITOR'S CERTIFICATE

CANADA) IN THE MATTER OF the *Real Estate Development*
) *Marketing Act* (British Columbia) and the Disclosure
) Statement for those lands currently legally described
) as:
PROVINCE OF)
) Parcel Identifier: 026-714-248
BRITISH COLUMBIA) Parcel A
) Block 62
) District Lot 264A
) Group 1
TO WIT:) New Westminster District
) Plan BCP24406
)

I, Eric A. Kerr, Solicitor, a member of the Law Society of British Columbia, HEREBY CERTIFY that I have read over the above-described Disclosure Statement dated April 22, 2008 and have reviewed same with the Developer therein named, and that the facts contained in Sections 4.1, 4.2 and 4.3 are correct.

DATED at Vancouver, in British Columbia, this 30th day of April, 2008.

Eric A. Kerr



STRATA PLAN BCS _____

ROCK EN BEAM CONSTRUCTION LTD.
(INC. NO. 0707266)

Authorized Signatory
(Sign and print name)

Authorized Signatory
(Sign and print name)

Witness (Sign and print name)
as to signature (s)

Address of _____

Witness: _____

Occupation: _____

562242 B. C. LTD.
(INC. NO. 0562242)

Authorized Signatory
(Sign and print name)

Authorized Signatory
(Sign and print name)

Witness (Sign and print name)
as to signature (s)

Address of _____

Witness: _____

Occupation: _____

MORTGAGEE:
CANADIAN WESTERN BANK

Authorized Signatory
(Sign and print name)

Authorized Signatory
(Sign and print name)

Witness (Sign and print name)
as to signature (s)

Address of _____

Witness: _____

Occupation: _____

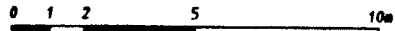
E. J. H.
B. C. L. S.

March 26th, 2008.

DIAGRAMMATIC ELEVATIONS

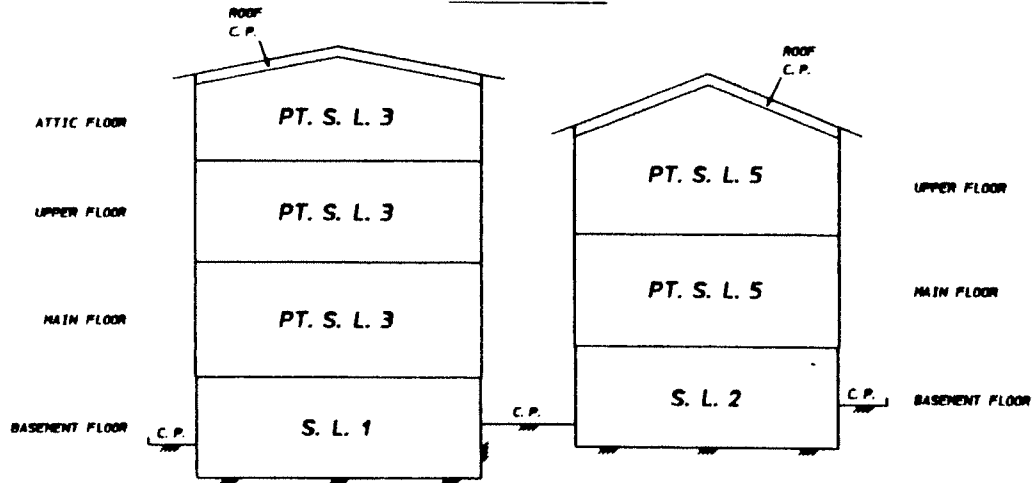
STRATA PLAN BCS

SCALE: 1: 125

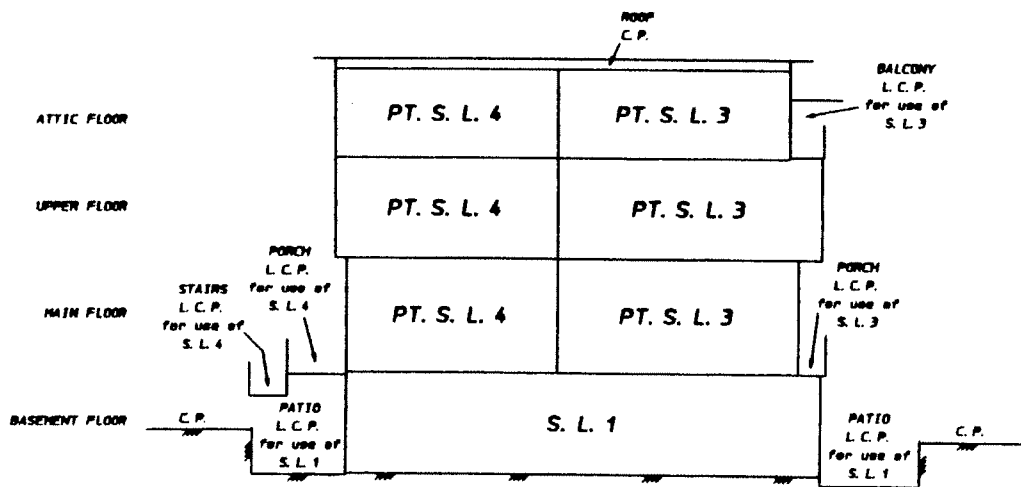


All distances are in metres and decimals thereof unless otherwise indicated

SECTION A-A



SECTION B-B

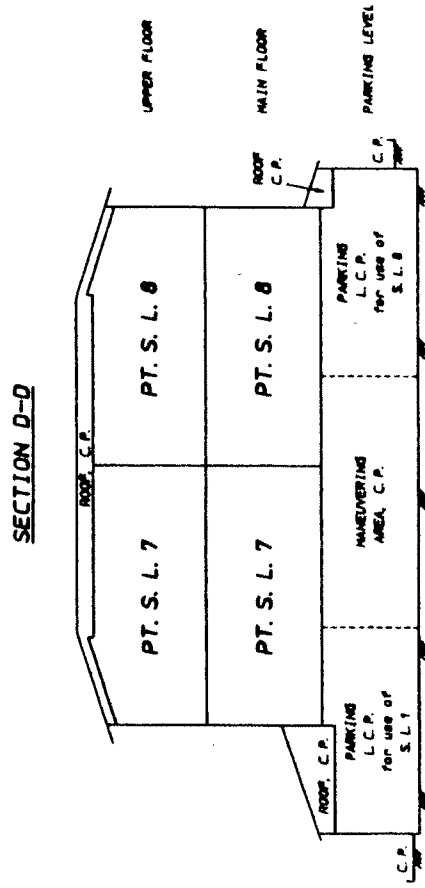
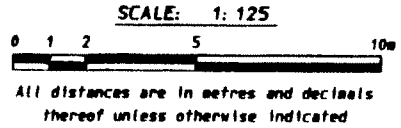
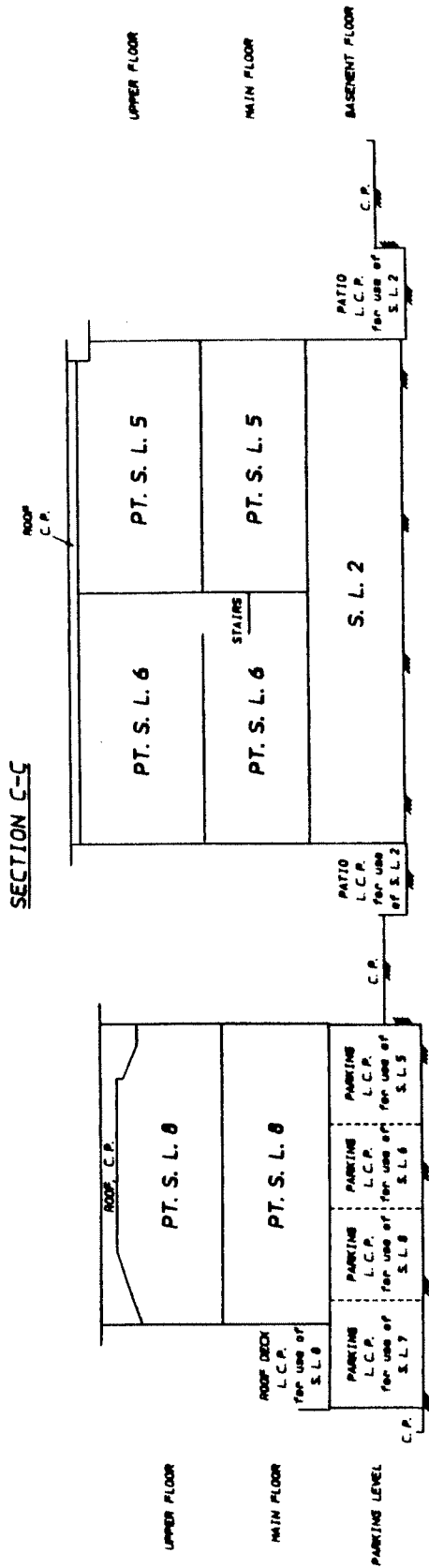


E. J. K.
B.C.L.S.

March 26th, 2008.

DIAGRAMMATIC ELEVATIONS

STRATA PLAN BCS



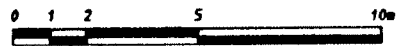
B. J. H.
B. C. L. S.

March 26th, 2008.

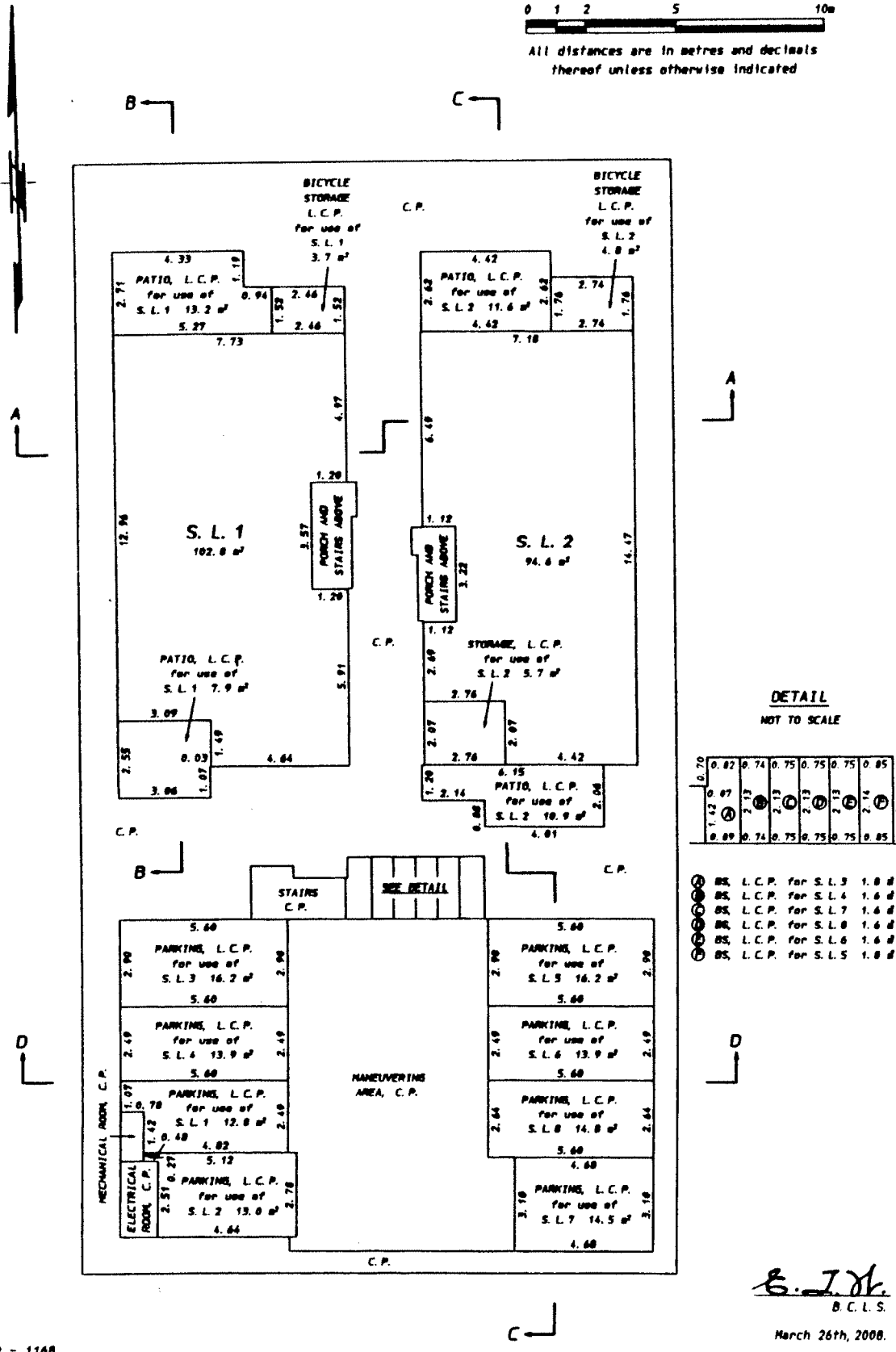
BASEMENT FLOOR
STRATA LOTS 1 AND 2

STRATA PLAN BCS

SCALE: 1:125



All distances are in metres and decimals thereof unless otherwise indicated



DETAIL
NOT TO SCALE

0.70	0.82	0.74	0.75	0.75	0.75	0.85
1.12	0.07	2.13	2.13	2.13	2.14	2.14
0.89	0.74	0.75	0.75	0.75	0.85	

- Ⓐ BS, L.C.P. for S.L. 3 1.8 d
- Ⓑ BS, L.C.P. for S.L. 4 1.6 d
- Ⓒ BS, L.C.P. for S.L. 7 1.6 d
- Ⓓ BS, L.C.P. for S.L. 8 1.6 d
- Ⓔ BS, L.C.P. for S.L. 6 1.6 d
- Ⓕ BS, L.C.P. for S.L. 5 1.8 d

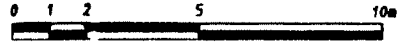
B. J. H.
B.C.L.S.

March 26th, 2008.

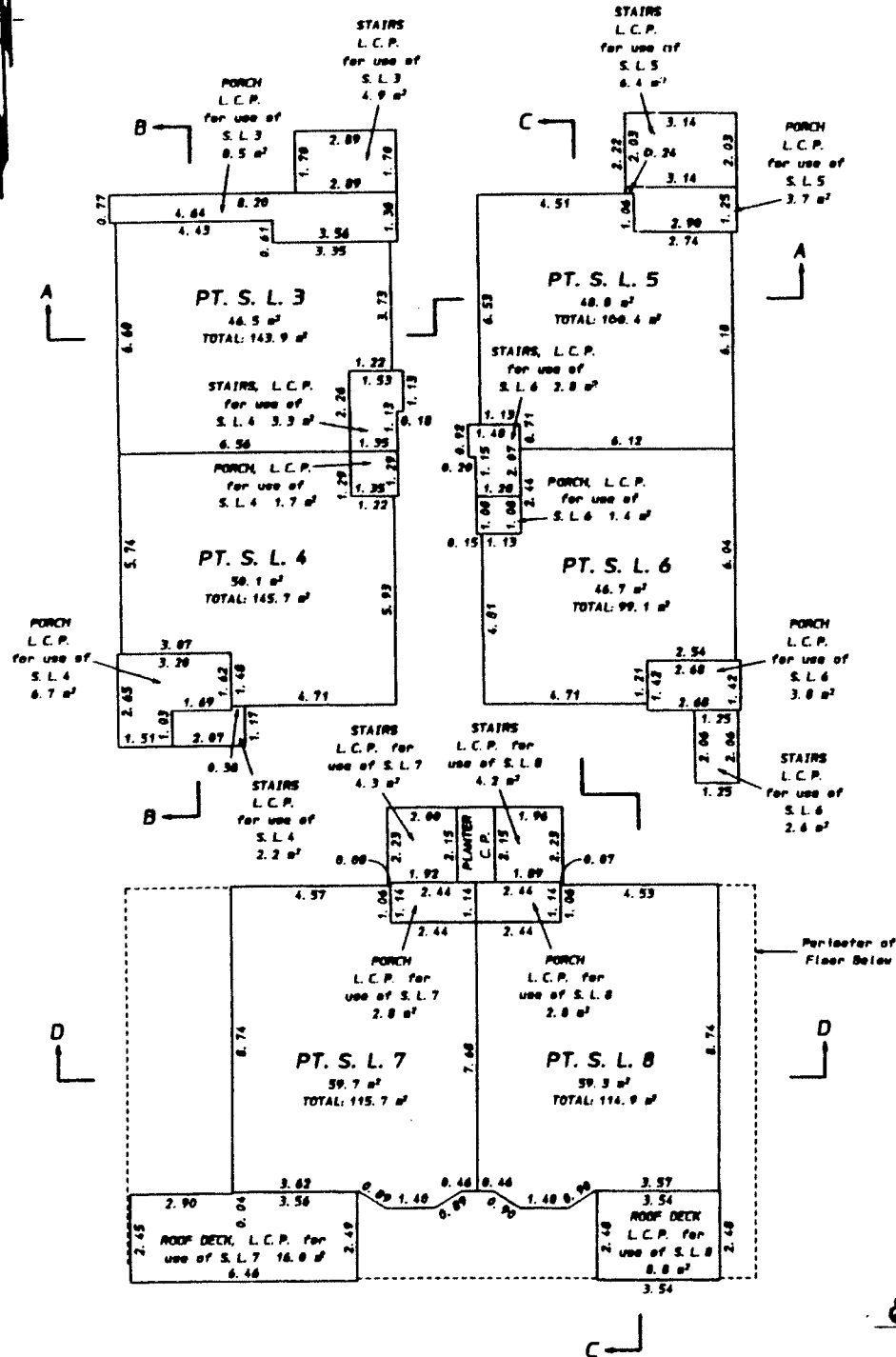
MAIN FLOOR
PART STRATA LOTS 3 TO 8

STRATA PLAN BCS

SCALE: 1:125



All distances are in metres and decimals thereof unless otherwise indicated



B. J. H.
B.C.L.S.

March 26th, 2008.

EXHIBIT B

FORM V-PROPOSED SCHEDULE OF UNIT ENTITLEMENT

Strata Property Act
FORM V
SCHEDULE OF UNIT ENTITLEMENT
(Sections 245 (a), 246, 264)

Re: Strata Plan

Being a strata plan of 026-714-248, Lot A, Block 62, District Lot 264A,
Group 1, New Westminster District, Plan BCP24406
1512, 1514, 1516, 1518, 1520, 1522, 1526, 1528 Graveley St., Vancouver, B.C.

STRATA PLAN CONSISTING ENTIRELY OF RESIDENTIAL STRATA LOTS

The unit entitlement for each residential strata lot is one the following, as set out in the following table:

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

Certificate of British Columbia Land Surveyor

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

Date: April 08, 2008

Signature of Edmund T. Wong

OR

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

OR

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

Signature of Superintendent of Real Estate

Table with 5 columns: Strata Lot No., Sheet No., Habitable Area in M2, Unit Entitlement, %* of Unit Entitlement of Residential Strata**. Rows include lot numbers 1-8 and summary rows for total number of lots (8) and total unit entitlement (918).

* expression of percentage is for informational purposes only and has no legal effect
** not required for a phase of a strata plan

Date: _____

Signature of Owner Developer

EXHIBIT C

Strata Property Act

FORM Y

PROPOSED OWNER DEVELOPERS' NOTICE OF DIFFERENT BYLAWS

(Section 245(D), Regulations section 14.6(2))

Re: Strata plan to be filed with respect to lands currently legally described as Parcel Identifier: 026-714-248, Parcel A, Block 62, District Lot 264A, Group 1, New Westminster District, Plan BCP24406

The following or attached bylaws differ from the Schedule of Standard Bylaws to the *Strata Property Act* (British Columbia) (the "Act"), as permitted by Section 120 of the Act:

1. The following is added to the Schedule of Standard Bylaws as Subsection 3(5):

"3(5) An owner must not do any of the following:

- (a) undertake repairs to any vehicle or service any vehicle on the common property or permit any guest to do so;
- (b) store any vehicle or recreational vehicle on the common property, or permit any guest to do so;
- (c) store any personal items within the parking stall assigned to such strata lot; or
- (d) display or post or permit any agent to display or post "for sale" signs or other signage for the purpose of selling or marketing a strata lot on the common property or visible from the owner's strata lot, except in a location on the common property approved by the strata council (if any).

Notwithstanding the foregoing, an owner of a strata lot may store a boat trailer or other recreational vehicle within the parking stall assigned to such strata lot provided that such boat trailer or other recreational vehicle fits within such parking stall without creating a danger or hazard to other users of the parking facility, and provided that the owner has obtained adequate insurance in respect thereof."

2. Section 30 of the Schedule of Standard Bylaws is deleted and replaced with the following:

"Promotion

30 Notwithstanding paragraph 3(5)(d), during the time the owner-developer of the strata corporation is the owner of any strata lot, it shall have the right to:

- (a) maintain any strata lot or strata lots leased by it as display suites and/or sales centres and to carry on any marketing and sales functions, in respect

of the development, within such strata lots and within any area of the common property of the development;

- (b) erect and maintain signage in and around any unsold strata lots and on the common property of the development for the duration of the marketing program;
- (c) maintain display areas, landscaping and parking areas;
- (d) use any parking assigned to any unsold strata lots for marketing purposes and for any other reason related to its development; and
- (e) have access to any and all parts of the common property and common facilities for the purpose of showing strata lots, the common property and the common facilities to prospective purchasers and their representatives,

in each case as may be reasonably determined by the owner-developer in order to enable or assist it in marketing or selling any strata lot within the development. The owner-developer shall act reasonably in exercising its rights under this Section 30.”.

3. The following is added to the end of the Schedule of Standard Bylaws:

“Division 8 – General

Access by Consultants

- 31 The owners will permit the owner-developer’s building/envelope consultants and the consultants or representatives of any warranty provider in connection with the construction of the development to have access to the development from time to time during construction thereof and after completion of construction for the purpose of inspecting and monitoring the building envelope and other components of the buildings comprising the development.

Noise Control

- 32 An owner, tenant or occupant must not use a strata lot, limited common property or common property in a way or for any purpose that causes unreasonable or undue noise and shall take all reasonable steps to satisfy noise complaints from neighbours. Without limiting the generality of this bylaw, an owner, tenant or occupant of a strata lot shall avoid the use or operation of noisy equipment or machinery in or around the strata lot between the hours of 11:00 p.m. and 7:00 a.m.

Items Left on Common Property at Own Risk

- 33 Any owner, tenant or occupant that leaves any item anywhere on or in the common property or on any limited common property does so at his or her own risk, subject to any claim that may properly be made under any insurance policy maintained by the strata corporation by anyone that is an insured under that policy.

Repair and Maintenance of Property by Owner

35 An owner who has the use of limited common property must repair and maintain it, except for repair and maintenance that is the responsibility of the strata corporation under these bylaws.”.

Date: _____, 20____.

Signature of Owner Developer

EXHIBIT D

ESTIMATED INTERIM BUDGET FOR FIRST YEAR OPERATING EXPENSES

	<u>ANNUAL BUDGET</u>
GENERAL	
Banking Charges	\$120
General Administration	470
General Meetings	375
Insurance	7,000
Legal Fees	200
Management Fees	5,325
	<hr/>
Total General	\$13,490
BUILDING	
Electricity	\$1,300
Fire Safety Equipment and Service	750
Garbage Removal/Recycling	520
General	1,200
Janitorial Services	400
Repairs / Mechanical Systems	750
Supplies	170
	<hr/>
Total Building	\$5,090
GROUNDS	
Landscaping	\$2,400
	<hr/>
Total Grounds	\$2,400
TOTAL EXPENSES	\$20,980
CONTINGENCY RESERVE FUND CONTRIBUTIONS*	\$2,098
	<hr/>
TOTAL STRATA FEES	\$23,078

*The Developer will contribute 5% of the total expenses set out in the interim operating fund budget to the contingency reserve fund and the Owners will collectively contribute 5%. For any subsequent year the Owners' collective contributions to the contingency reserve fund will be a minimum of 10% of the operating fund budget for such year or as otherwise provided in the *Strata Property Act*.

EXHIBIT E

ESTIMATED MONTHLY ASSESSMENTS FOR FIRST YEAR

<u>Strata Lot</u>	<u>Estimated Unit Entitlement</u>	<u>Estimated Monthly Assessment for First Year</u>
1	103	\$215.78
2	95	\$199.02
3	144	\$301.67
4	146	\$305.86
5	100	\$209.50
6	99	\$207.40
7	116	\$243.01
8	115	\$240.92
TOTALS:	<u>918</u>	<u>\$1923.16</u>

EXHIBIT F
Strata Property Act
FORM J

RENTAL DISCLOSURE STATEMENT
(Section 139)

Re: Strata plan to be filed with respect to lands currently legally described as Parcel Identifier: 026-714-248, Parcel A, Block 62, District Lot 264A, Group 1, New Westminster District, Plan BCP24406

1. The development described above includes 8 residential strata lots.
2. The residential strata lots described below are rented out by the owner developer as of the date of this statement and the owner developer intends to rent out each strata lot until the date set out opposite its description:

[Describe all strata lots rented out by owner developer as of the date of this statement.]

Description of Strata Lot <i>[strata lot number as shown on strata plan]</i>	Date Rental Period Expires <i>[month day, year]</i>
Nil	N/A

3. In addition to the number of residential strata lots rented out by the owner developer as of the date of this statement, the owner developer reserves the right to rent out a further 8 residential strata lots, as described below, until the date set out opposite each strata lot's description.


[Describe all strata lots intended to be rented out by the owner developer.]


Description of Strata Lot <i>[strata lot number as shown on strata plan]</i>	Date Rental Period Expires <i>[month day, year]</i>
Strata Lots 1 – 8	December 31, 2108

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


Date: April 22, 2008


0562242 B.C. LTD.

Per: 
John Gaylie

Per: 
Gail Arrison

ROCK EN BEAM CONSTRUCTION LTD.

Per: 
Richard Beauregard

Per: 
Lorraine Maier



CONTRACT OF PURCHASE AND SALE

PREPARED BY: SUTTON-CENTRE REALTY DATE: _____
 (BROKERAGE - PLEASE PRINT)
 ADDRESS: 3010 BOUNDARY ROAD, BURNABY, B.C. PC: V5M 4A1 PHONE: (604) 435-9477
 PER: LEON BEAUREGARD MLS® No.: _____
 (LICENSEE - PLEASE PRINT)

SELLER: <u>0562242 B.C. LTD.</u>	BUYER: _____
SELLER: <u>ROCK EN BEAM CONSTRUCTION LTD.</u>	BUYER: _____
ADDRESS: <u>1196 WEST 59th AVENUE</u>	ADDRESS: _____
<u>VANCOUVER, B.C.</u>	_____
_____ PC: <u>V6P 1Y3</u>	_____ PC: _____
PHONE: _____	PHONE: _____
RESIDENT OF CANADA <input checked="" type="checkbox"/> NON-RESIDENT OF CANADA <input type="checkbox"/>	OCCUPATION: _____
<small>as defined under the <i>Income Tax Act</i>.</small>	

PROPERTY:

SEE SECTION 1 OF CONTRACT OF PURCHASE AND SALE ADDENDUM (THE "ADDENDUM")

UNIT NO. _____ ADDRESS OF PROPERTY _____

CITY/TOWN/MUNICIPALITY _____ POSTAL CODE _____ PID _____

LEGAL DESCRIPTION _____

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

- PURCHASE PRICE:** The purchase price of the Property will be SEE SECTION 2.1 OF ADDENDUM
 _____ DOLLARS \$ _____ (Purchase Price)
- DEPOSIT:** A deposit of \$ [TO BE COMPLETED BY BUYER] which will form part of the Purchase Price, will be paid on the following terms: [TO BE COMPLETED BY BUYER]

All monies paid pursuant to this section (Deposit) will be delivered in trust to SUTTON-CENTRE REALTY
 _____ and held in trust in accordance with the provisions of the *Real Estate Services Act*. In the event the Buyer fails to pay the Deposit as required by this Contract, the Seller may, at the Seller's option, terminate this Contract. The party who receives the Deposit is authorized to pay all or any portion of the Deposit to the Buyer's or Seller's conveyancer (the "Conveyancer") without further written direction of the Buyer or Seller, provided that: (a) the Conveyancer is a Lawyer or Notary; (b) such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and (c) if the sale does not complete, the money should be returned to such party as stakeholder or paid into Court.

--	--	--	--

INITIALS

PROPERTY ADDRESS _____

3. **TERMS AND CONDITIONS:** The purchase and sale of the Property includes the following terms and is subject to the following conditions: _____

SEE ADDENDUM ATTACHED TO AND FORMING PART OF THIS CONTRACT. FOR GREATER CERTAINTY, THE COMPLETION DATE WILL BE DETERMINED IN ACCORDANCE WITH SECTIONS 3.1, 3.2 AND 3.3 OF THE ADDENDUM (AS REFERENCED IN SECTION 4 BELOW).

Each condition, if so indicated, is for the sole benefit of the party indicated. Unless each condition is waived or declared fulfilled by written notice given by the benefiting party to the other party on or before the date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.

4. **COMPLETION:** The sale will be completed on 3.11, 3.2 & 3.3 OF ADDENDUM, yr. _____ (Completion Date) at the appropriate Land Title Office.

5. **POSSESSION:** The Buyer will have vacant possession of the Property at 12 noon on SEE SECTION 4.4 OF ADDENDUM, yr. _____ (Possession Date) OR, subject to the following existing tenancies, if any: NONE

6. **ADJUSTMENTS:** The Buyer will assume and pay all taxes, rates, local improvement assessments, fuel, utilities and other charges from, and including, the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of THE COMPLETION DATE, yr. _____ (Adjustment Date).

7. **INCLUDED ITEMS:** The Purchase Price includes any buildings, improvements, fixtures, appurtenances and attachments thereto, and all blinds, awnings, screen doors and windows, curtain rods, tracks and valances, fixed mirrors, fixed carpeting, electric, plumbing, heating and air conditioning fixtures and all appurtenances and attachments thereto as viewed by the Buyer at the date of inspection, INCLUDING:

SEE DISCLOSURE STATEMENT DATED APRIL 22, 2008

BUT EXCLUDING: _____

8. **VIEWED:** The Property and all included items will be in substantially the same condition at the Possession Date as when viewed by the Buyer on _____, yr. _____

9. **TITLE:** Free and clear of all encumbrances except subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, existing tenancies set out in Clause 5, if any, and except as otherwise set out herein.

10. **TENDER:** Tender or payment of monies by the Buyer to the Seller will be by certified cheque, bank draft, cash or Lawyer's/Notary's trust cheque.

11. **DOCUMENTS:** All documents required to give effect to this Contract will be delivered in registrable form where necessary and will be lodged for registration in the appropriate Land Title Office by 4 pm on the Completion Date.

--	--	--	--

INITIALS

- 12. **TIME:** Time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreement to pay the balance as may be necessary is entered into on or before the Completion Date, the Seller may, at the Seller's option, terminate this Contract, and, in such event, the amount paid by the Buyer will be absolutely forfeited to the Seller in accordance with the *Real Estate Services Act*, on account of damages, without prejudice to the Seller's other remedies.
- 13. **BUYER FINANCING:** If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has: (a) made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration, and (c) made available to the Seller, a Lawyer's or Notary's undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds pursuant to the Canadian Bar Association (BC Branch) (Real Property Section) standard undertakings (the "CBA Standard Undertakings").
- 14. **CLEARING TITLE:** If the Seller has existing financial charges to be cleared from title, the Seller, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Seller agrees that payment of the Purchase Price shall be made by the Buyer's Lawyer or Notary to the Seller's Lawyer or Notary, on the CBA Standard Undertakings to pay out and discharge the financial charges, and remit the balance, if any, to the Seller.
- 15. **COSTS:** The Buyer will bear all costs of the conveyance and, if applicable, any costs related to arranging a mortgage and the Seller will bear all costs of clearing title.
- 16. **RISK:** All buildings on the Property and all other items included in the purchase and sale will be, and remain, at the risk of the Seller until 12:01 am on the Completion Date. After that time, the Property and all included items will be at the risk of the Buyer.
- 17. **PLURAL:** In this Contract, any reference to a party includes that party's heirs, executors, administrators, successors and assigns; singular includes plural and masculine includes feminine.
- 18. **REPRESENTATIONS AND WARRANTIES:** There are no representations, warranties, guarantees, promises or agreements other than those set out in this Contract and the representations contained in the Property Disclosure Statement if incorporated into and forming part of this Contract, all of which will survive the completion of the sale.
- 19. **PERSONAL INFORMATION:** The Buyer and the Seller hereby consent to the collection, use and disclosure by the Brokerages and by the managing broker(s), associate broker(s) and representative(s) of those Brokerages (collectively the "Licensee(s)") described in Clause 20, the real estate boards of which those Brokerages and Licensees are members and, if the Property is listed on a Multiple Listing Service®, the real estate board that operates that Multiple Listing Service®, of personal information about the Buyer and the Seller:
 - A. for all purposes consistent with the transaction contemplated herein;
 - B. if the Property is listed on a Multiple Listing Service®, for the purpose of the compilation, retention and publication by the real estate board that operates the Multiple Listing Service® and other real estate boards of any statistics including historical Multiple Listing Service® data for use by persons authorized to use the Multiple Listing Service® of that real estate board and other real estate boards;
 - C. for enforcing codes of professional conduct and ethics for members of real estate boards; and
 - D. for the purposes (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled *Working With a REALTOR®*.

--	--	--	--

INITIALS

PROPERTY ADDRESS _____

20. **AGENCY DISCLOSURE:** The Seller and the Buyer acknowledge having received, read and understood the brochure published by the British Columbia Real Estate Association entitled *Working With a REALTOR®* and acknowledge and confirm as follows:

A. the Seller has an Agency relationship with

SUTTON-CENTRE REALTY and LEON BEAUREGARD
BROKERAGE LICENSEE

B. the Buyer has an Agency relationship with

_____ and _____
BROKERAGE LICENSEE

C. the Buyer and the Seller have consented to a limited dual agency relationship with

_____ and _____
BROKERAGE LICENSEE

LICENSEE

having signed a Limited Dual Agency Agreement dated _____

If only (A) has been completed, the Buyer is acknowledging no agency relationship. If only (B) has been completed, the Seller is acknowledging no agency relationship.

21. **ACCEPTANCE IRREVOCABLE (Buyer and Seller):** The Seller and the Buyer specifically confirm that this Contract of Purchase and Sale is executed under seal. It is agreed and understood that the Seller's acceptance is irrevocable, including without limitation, during the period prior to the date specified for the Buyer to either:

- A. fulfill or waive the terms and conditions herein contained; and/or
- B. exercise any option(s) herein contained.

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

23. **OFFER:** This offer, or counter-offer, will be open for acceptance until _____ o'clock _____ m. on _____, yr. _____ (unless withdrawn in writing with notification to the other party of such revocation prior to notification of its acceptance), and upon acceptance of the offer, or counter-offer, by accepting in writing and notifying the other party of such acceptance, there will be a binding Contract of Purchase and Sale on the terms and conditions set forth.

X _____ 0562242 B.C. LTD.
WITNESS BUYER PRINT NAME

X _____
WITNESS BUYER PRINT NAME

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

Seller's acceptance is dated _____, yr. _____

X _____ ROCK EN BEAM CONSTRUCTIO
WITNESS SELLER PRINT NAME

X _____
WITNESS SELLER PRINT NAME

CONTRACT OF PURCHASE AND SALE
INFORMATION ABOUT THIS CONTRACT OF PURCHASE AND SALE

THIS INFORMATION IS INCLUDED FOR THE ASSISTANCE OF THE PARTIES ONLY. IT DOES NOT FORM PART OF THE CONTRACT AND SHOULD NOT AFFECT THE PROPER INTERPRETATION OF ANY OF ITS TERMS.

1. **CONTRACT:** This document, when signed by both parties, is a legally binding contract. **READ IT CAREFULLY.** The parties should ensure that everything that is agreed to is in writing.
2. **DEPOSIT(S):** Section 28 of the *Real Estate Services Act* requires that money held by a brokerage in respect of a real estate transaction for which there is an agreement between the parties for the acquisition and disposition of the real estate be held by the brokerage as a stakeholder. The money is held for the real estate transaction and not on behalf of one of the parties. If a party does not remove a subject clause, the brokerage requires the written agreement of both parties in order to release the deposit. If both parties do not sign the agreement to release the deposit, then the parties will have to apply to court for a determination of the deposit issue.
3. **COMPLETION:** (Clause 4) Unless the parties are prepared to actually meet at the Land Title Office and exchange title documents for the Purchase Price, it is, in every case, advisable for the completion of the sale to take place in the following sequence:
 - (a) The Buyer pays the Purchase Price or down payment in trust to the Buyer's Lawyer or Notary (who should advise the Buyer of the exact amount required) several days before the Completion Date, and the Buyer signs the documents.
 - (b) The Buyer's Lawyer or Notary prepares the documents and forwards them for signature to the Seller's Lawyer or Notary who returns the documents to the Buyer's Lawyer or Notary.
 - (c) The Buyer's Lawyer or Notary then attends to the deposit of the signed title documents (and any mortgages) in the appropriate Land Title Office.
 - (d) The Buyer's Lawyer or Notary releases the sale proceeds at the Buyer's Lawyer's or Notary's office.

Since the Seller is entitled to the Seller's proceeds on the Completion Date, and since the sequence described above takes a day or more, it is strongly recommended that the Buyer deposits the money and the signed documents **AT LEAST TWO DAYS** before the Completion Date, or at the request of the Conveyancer, and that the Seller delivers the signed transfer documents no later than the morning of the day before the Completion Date.

While it is possible to have a Saturday Completion Date using the Land Title Office's Electronic Filing System, parties are strongly encouraged **NOT** to schedule a Saturday Completion Date as it will restrict their access to fewer lawyers or notaries who operate on Saturdays; lenders will generally not fund new mortgages on Saturdays; lenders with existing mortgages may not accept payouts on Saturdays; and other offices necessary as part of the closing process may not be open.

4. **POSSESSION:** (Clause 5) The Buyer should make arrangements through the real estate licensees for obtaining possession. The Seller will not generally let the Buyer move in before the Seller has actually received the sale proceeds. Where residential tenants are involved, Buyers and Sellers should consult the *Residential Tenancy Act*.
5. **TITLE:** (Clause 9) It is up to the Buyer to satisfy the Buyer on matters of zoning or building or use restrictions, toxic or environmental hazards, encroachments on or by the Property and any encumbrances which are staying on title before becoming legally bound. It is up to the Seller to specify in the Contract if there are any encumbrances, other than those listed in Clause 9, which are staying on title before becoming legally bound. If you as the Buyer are taking out a mortgage, make sure that title, zoning and building restrictions are all acceptable to your mortgage company. In certain circumstances, the mortgage company could refuse to advance funds. If you as the Seller are allowing the Buyer to assume your mortgage, you may still be responsible for payment of the mortgage, unless arrangements are made with your mortgage company.
6. **CUSTOMARY COSTS:** (Clause 15) In particular circumstances there may be additional costs, but the following costs are applicable in most circumstances:

Costs to be Borne by the Seller

Lawyer or Notary Fees and Expenses:
- attending to execution of documents.
Costs of clearing title, including:
- discharge fees charged by encumbrance holders,
- prepayment penalties.
Real Estate Commission.
Goods and Services Tax.

Costs to be Borne by the Buyer

Lawyer or Notary Fees and Expenses:
- searching title,
- investigating title,
- drafting documents,
- Land Title Registration fees.
Survey Certificate (if required).
Costs of Mortgage, including:
- mortgage company's Lawyer/Notary,
- appraisal (if applicable),
- Land Title Registration fees.
Fire Insurance Premium.
Sales Tax (if applicable).
Property Transfer Tax.
Goods and Services Tax.

7. **RISK:** (Clause 16) The Buyer should arrange for insurance to be effective on the earlier of the Completion Date or the date the Buyer pays the balance of the funds into trust. The Seller should maintain the Seller's insurance in effect until the later of the date the Seller receives the proceeds of sale, or the date the Seller vacates the property.
8. **FORM OF CONTRACT:** This Contract of Purchase and Sale is designed primarily for the purchase and sale of freehold residences. If your transaction involves:
 - a house or other building under construction
 - a lease
 - a business
 - an assignment
 - other special circumstances (including the acquisition of land situated on a First Nations reserve)Additional provisions, not contained in this form, may be needed, and professional advice should be obtained. A Property Disclosure Statement completed by the Seller may be available.
9. **ALTERNATE DISPUTE RESOLUTION:** Parties to this contract may pursue alternate dispute resolution if a dispute arises after completion of the transaction. It is recommended that the parties first mediate the dispute. Failing agreement to mediate, or if the mediation fails, then disputes can be submitted to an arbitration under the *Commercial Arbitration Act*. BCREA member boards can provide guidance on the selection of mediation and arbitration services in your area.

CONTRACT OF PURCHASE AND SALE ADDENDUM

M.L.S.® NO.: _____

DATE: _____

RE: ADDRESS:	SEE SCHEDULE A TO THE CONTRACT OF PURCHASE AND SALE DATED _____, 2008 (THE "CONTRACT")
LEGAL DESCRIPTION:	SEE ARTICLE 1 OF THIS ADDENDUM
<p>FURTHER TO THE CONTRACT MADE BETWEEN _____, AS BUYER, AND 0562242 B.C. LTD. AND ROCK EN BEAM CONSTRUCTION LTD., AS SELLERS, AND COVERING THE ABOVE-MENTIONED PROPERTY, THE UNDERSIGNED HEREBY AGREE AS FOLLOWS:</p>	
<p>1. DESCRIPTION OF PROPERTY</p>	
<p>1.1 The Buyer acknowledges that the Buyer is purchasing a residential strata lot (the "Property") constructed in accordance with the draft strata plan (the "Draft Strata Plan") attached as Exhibit A to the disclosure statement dated April 22, 2008 (the "Disclosure Statement") in respect of the Development (as defined in Section 1.3).</p>	
<p>1.2 Civic Address. The suite number for the Property is Suite No. _____. The current civic address for the residential development to be known as "Graveley Heights" (the "Development") within which the Property will be located is 1524 Graveley Street, Vancouver, British Columbia. The address of the Development may change upon completion of the Development.</p>	
<p>1.3 Legal Description. Strata Lot No. _____ of the strata plan to be registered for lands currently legally described as Parcel Identifier: 026-714-248, Parcel A, Block 62, District Lot 264A, Group 1, New Westminster District, Plan BCP24406.</p>	
<p>1.4 Parking Stalls. The purchase of the Property will include the right to one or more parking stalls designated as limited common property for the use of the Property on the final strata plan.</p>	
<p>2. PURCHASE PRICE AND TERMS</p>	
<p>2.1 Purchase Price. The purchase price (the "Purchase Price") for the Property is _____</p> <p>_____ DOLLARS (\$ _____) (plus GST in accordance with Section 2.2). Any interest which accrues on the Deposit will be for the account of the Seller only.</p>	
<p>2.2 GST. The Purchase Price does not include goods and services tax ("GST"). The Buyer is responsible for the payment of GST.</p>	
<p>3. COMPLETION DATE AND LIEN HOLDBACK PROVISIONS</p>	
<p>3.1 Completion Date. The Buyer will pay the balance of the Purchase Price by delivering to the Seller's Lawyer a certified cheque or solicitor's trust cheque on the date (the "Completion Date") that the Property is "Ready to be Occupied" and the title to the Property has been issued by the</p>	

Lower Mainland Land Title Office (the "Land Title Office"), as notified by the Seller or the Seller's Lawyer to the Buyer or the Buyer's Lawyer or Notary, provided the Seller or the Seller's Lawyer will give not less than 10 days' notice thereof and provided further that if the Land Title Office is not open for business on such day, then the Completion Date will be the next business day. "Ready to be Occupied" refers to the Property only and not to any other strata lot or the common property within the Development and the Property will be deemed to be "Ready to be Occupied" if the City of Vancouver (the "City") has given written permission to occupy the Property, whether such permission is conditional or unconditional. In the event the occupancy permit is a conditional permit issued by the City, the Seller will provide the Buyer with an unconditional occupancy permit for the Property or the Development as soon as is reasonably practical.

- 3.2 **Notice of Completion Date.** The notice of the Completion Date delivered to the Buyer or the Buyer's Lawyer or Notary may be based on the Seller's estimate as to when the Property will be "Ready to be Occupied" and when the said title to the Property will be issued by the Land Title Office. If the Property is not "Ready to be Occupied" or the said title is not issued by the Land Title Office on or before the Completion Date so estimated, then the Seller may extend the Completion Date from time to time as required by the Seller until the Property is "Ready to be Occupied" and the said title is to be issued in the Land Title Office by the notice of such extension to the Buyer or the Buyer's Lawyer or Notary, provided that the Seller gives the Buyer or the Buyer's Lawyer or Notary not less than 48 hours' notice of such extended Completion Date. The Disclosure Statement indicates that the estimated date for completion of construction is June 1, 2008. Such date is an estimate and is subject to the terms of this Contract.
- 3.3 **Extension of Completion Date.** If the Completion Date has not occurred by September 30, 2008, then the Buyer may cancel this Contract and the Deposit will be returned to the Buyer unless the parties agree in writing to further extend the Completion Date.
- 3.4 **Lien Holdback.** The Buyer will pay that portion, if any, of the balance of the Purchase Price required by law to be held back by the Buyer in respect of builders' lien claims (the "Lien Holdback") in trust to the Seller's Lawyer on the Completion Date. The Lien Holdback will be held in trust by the Seller's Lawyer pursuant to the *Strata Property Act* (British Columbia) (or successor statutes) solely in respect of lien claims registered in the Land Title Office in connection with work done at the behest of the Seller and not in respect of any alleged deficiencies in construction or finishing. The Seller will authorize the Seller's Lawyer to invest the Lien Holdback in an interest-bearing trust account and to pay to the Seller on the 56th day after the Property is conveyed to the Buyer the Lien Holdback plus interest, if any, earned thereon, less the amount of any builder's lien claims filed against the Property of which the Buyer or the Buyer's Lawyer or Notary notify the Seller's Lawyer in writing by 10:00 a.m. on that day.
4. **MISCELLANEOUS**
- 4.1 **Warranties.**
- (a) The Seller will obtain new home warranty coverage (the "Residential Warranty Coverage") for the Property through National Home Warranty Programs Ltd. (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.

The Buyer has read and understands any 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 Property. The Buyer understands and agrees that 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 Buyer, effective on the Completion Date. In any event, the Seller will 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 Seller neither gives nor implies any other form of warranties other than those described in the Disclosure Statement.

4.2 **Common Property.** The Seller will complete the common property as soon as reasonably practicable, but the failure of the Seller to complete the common property will in no event entitle the Buyer to refuse to take possession of the Property and/or to close the within transaction on the Completion Date or to fail to remit to the Seller the Purchase Price required to be paid by the Buyer hereunder, or to maintain any holdback of any part of the Purchase Price.

4.3 **Marketing.** The Buyer will not impede or interfere with the Seller's completion of the construction of other strata lots, the common property and the Development. The Buyer acknowledges that the Seller may retain strata lots in the Development for use as sales and administration offices and display suites for marketing or otherwise. The Buyer will permit and, to the extent that the Buyer is able so to do, will cause the strata corporation to permit the Seller to install signs on the common property, including the exterior of the Development, to market the strata lots and to carry out promotions on the common property. The Buyer consents to the use of the common property and the sales and administration offices and display suites for marketing the strata lots and will not revoke the Buyer's consents for so long as the Seller is the owner of any strata lots in the Development.

4.4 **Possession.** The Buyer will have possession of the Property at noon on the day after the Completion Date, provided the balance of the Purchase Price has been paid in accordance with this Contract and the sale has been completed.

4.5 **Buyer's Acknowledgements.** The Buyer, by execution of this Contract, acknowledges and agrees that:

- (a) prior to the execution of this Contract, received a copy and was given a reasonable opportunity to read the Disclosure Statement and any amendments thereto, if any, filed up to the date hereof, and the execution of this Contract by the Buyer constitutes a receipt in respect thereof and the terms of this Contract are the terms under which the Property is sold and purchased;
- (b) the estimated monthly strata corporation maintenance fees for the Property will be as set out in the Disclosure Statement; and
- (c) the Buyer will pay all costs (including the Buyer's solicitors' fees and disbursements) and taxes whether the same are characterized as property transfer taxes, sales taxes,

SCHEDULE

**TO THE CONTRACT OF PURCHASE AND SALE
RE: STRATA LOT _____**

RECEIPT FOR DISCLOSURE STATEMENT

The undersigned hereby confirm(s) that he/she/it/they has/have received a copy of the disclosure statement dated April 22, 2008 and any amendments thereto, if any, filed up to the date hereof (the "Disclosure Statement") in respect of a residential development to be known as "Graveley Heights" to be located at 1524 Graveley Street, Vancouver, British Columbia and certain strata lots located therein, and that the undersigned has been afforded a reasonable opportunity to read the Disclosure Statement.

The Disclosure Statement relates to a development property that is not yet completed. Please refer to Section 7.2 of the Disclosure Statement for information on the Agreement. That information has been drawn to the attention of _____ [insert purchaser's name], who has/have confirmed that fact by initialling in the space provided here:

INITIALS	

Signature of Purchaser

Witness: _____

Print Name

Signature of Purchaser

Witness: _____

Print Name

DATED this ____ day of _____, 2008.



EXHIBIT H

PROPOSED MANAGEMENT AGREEMENT

THIS AGREEMENT dated for reference as of the _____ day of _____, 2008.

BETWEEN:

THE OWNERS, STRATA PLAN _____,
a Strata Corporation constituted under the laws of British
Columbia and having its address at 1522 Graveley Street,
Vancouver, B.C.

(hereinafter called the "Strata Corporation")

OF THE FIRST PART

AND:

FACILITECH PROPERTY MANAGEMENT LTD.,
a company incorporated under the laws of the Province of British
Columbia with offices at 1110 Howe Street, Vancouver, B.C.,
V6Z 1R2

(hereinafter called the "Agent")

OF THE SECOND PART

WHEREAS:

- A. The Strata Corporation is responsible for the control, management, maintenance and administration of the common property and common assets of the Strata Corporation and all personnel, operations, business and all things and activities comprising or associated with or carried on in the Strata Plan.
- B. The Agent has agreed to provide certain services to the Strata Corporation.

--	--

AGENT STRATA

C. The Strata Corporation has agreed to contract with the Agent for the purposes of providing services described herein.

WITNESS THEREFORE that in consideration of the sum of Ten (\$10.00) Dollars now paid by each party to the other (the receipt and sufficiency whereof is by each hereby acknowledged) and in consideration of the mutual promises contained herein, the parties agree, one with the other, as follows:

Definitions

- 1. In this Agreement, the following terms shall have the following meanings:
 - 1.1 "Act" means the *Strata Property Act* and amendments thereto and any regulations adopted pursuant to the Act;
 - 1.2 "Agent" means the strata property agency brokerage described on page 1 hereof;
 - 1.3 "Agent Fees" means the fees payable to the Agent pursuant to Section 5.2 of this Agreement;
 - 1.4 "Agreement" means this agreement and any amendments thereto;
 - 1.5 "Annual General Meeting" means the annual general meeting contemplated in section 40 of the Act;
 - 1.6 "Budget Meeting" means a Strata Council meeting held to consider the proposed annual budget;
 - 1.7 "Bylaws" means the bylaws adopted by the Strata Corporation and in effect from time to time;
 - 1.8 "Laws" means all applicable restrictive covenants, zoning ordinances and building codes, health, environmental and safety laws and regulations, and other federal, provincial and other laws, statutes, ordinances, rules, regulations, orders and court decisions;
 - 1.9 "Meetings" means all meetings of the Strata Corporation and Strata Council, including committee meetings, arbitrations and mediation hearings, court hearings, or other meetings requiring the Agent's attendance pursuant to this Agreement;
 - 1.10 "Owners" means all owners of strata lots included in the Strata Plan;
 - 1.11 "RESA" means the *Real Estate Services Act* and amendments thereto and any regulations or rules adopted pursuant to the *Real Estate Services Act*;
 - 1.12 "Rules" means the rules made pursuant to section 125 of the Act from time to time;

- 1.13 “Second Annual General Meeting” means the second annual general meeting of the Strata Corporation held after the filing of the Strata Plan;
- 1.14 “Strata Corporation” means the strata corporation described on page 1 hereof;
- 1.15 “Strata Council” means the strata council of the Strata Corporation; and
- 1.16 “Strata Plan” means the strata plan filed in the Land Title Office that created the Strata Corporation.

Exclusive Appointment:

- 2. Commencing on the Commencement Date set out in item 1 of Schedule A attached hereto; the Strata Corporation hereby appoints the Agent as its sole and exclusive Agent to provide strata agency services to the Strata Corporation upon the terms and conditions herein contained, and the Agent agrees to serve the Strata Corporation in that capacity in a faithful, diligent and honest manner, subject to the direction of the Strata Council and the terms of this Agreement.

Agent’s Agreement:

- 3. The Agent hereby covenants and agrees with the Strata Corporation as follows:

General

- 3.1 Agent Services - To furnish the services of the Agent as agent for the Strata Corporation in assisting the Strata Council in managing the affairs of the Strata Corporation;
- 3.2 Administration - To assist in the administration of the common property and common assets of the Strata Corporation under the direction of the Strata Council;
- 3.3 Strata Corporation’s Performance - To assist the Strata Council with the performance of all obligations required to be performed by the Strata Corporation pursuant to agreements entered into between the Strata Corporation and any other person, firm or corporation in respect of the affairs of the Strata Corporation;
- 3.4 Staffing – To provide sufficient staff at the Agent’s expense to provide the Agent’s services hereunder. The Agent may designate a representative of the Agent to be the principal contact person between the Agent and the Strata Corporation;

Financial

- 3.5 Strata Fees - To receive and record in a timely fashion all strata fees, special levies, user fees, contributions to the contingency reserve fund, and other revenues and amounts due to the Strata Corporation;

--	--

- 3.6 Unpaid Strata Fees - To demand and attempt to recover from the Owners, all strata fees, contingency reserve fees, special levies or user fees and any and all other monies from time to time payable by such Owners to the Strata Corporation in any lawful manner howsoever and to make and agree to all just and reasonable abatements, payments and allowances in respect thereof;
- 3.7 Non-Payment of Strata Fees - To take legal action at the expense of the Strata Corporation for and in the name of the Strata Corporation, to effect the collection of unpaid monthly strata fees, special levies, user fees, contributions to the contingency reserve fund and any other monies due to the Strata Corporation and to sign, file and deliver certificates of liens, receipts, certificates, or acknowledgements, all at the direction of the Strata Council;
- 3.8 Budget– To assist the Strata Council in budgeting the Strata Corporation revenue and expenditures and in determining the appropriate amount of contribution to be paid by each Owner towards operating expenses and the contingency reserve fund as required by the Act and in this regard to furnish annually, an estimate of revenues and expenses;
- 3.9 Accounting Statement - To provide the Strata Council with a monthly accounting statement of receipts, disbursements, expenses and charges;
- 3.10 Bank Statement – To provide the Strata Council with a copy of each monthly bank statement for each trust account within thirty (30) days of issuance of such bank statement, consistent with the terms of RESA, the Act and the Bylaws;
- 3.11 Expenditures – To sign cheques and to otherwise pay from the Strata Corporation’s funds in a timely fashion, all charges, expenses and outgoings whatsoever payable by, or chargeable to the Strata Corporation provided funds are available to make such payments and the Strata Council’s authorization is provided where required;
- 3.12 Payroll Accounts – To provide payroll accounting for Strata Corporation employees, if necessary;
- 3.13 Strata Corporation’s Monies - To deposit all receipts of the Strata Corporation into the appropriate trust account or accounts in accordance with the provisions of RESA, such trust accounts to be separate from the Agent’s corporate accounts and deposited with an institution qualified to engage in the credit union, banking or trust business, and to withdraw funds from or transfer funds between such accounts as may be appropriate. The Agent may transfer such monies between accounts and pooled trust accounts as permitted by RESA and may invest the Strata Corporation’s funds as appropriate and as permitted under RESA and section 95 of the Act;
- 3.14 Trust Accounts – To maintain at least one separate trust account in the name of the Strata Corporation, as further specified in item 2 of Schedule A attached hereto;

- 3.15 Contingency Reserve/Special Levy Trust Accounts - If the Agent is to hold contingency reserve money or special levy money as specified in item 2 of Schedule A, to maintain at least one separate trust account for both the contingency reserve money and the special levy money or one or more separate trust accounts for each;
- 3.16 Signing Authority – To ensure that the signing authority of the Agent for the operating fund trust account and/or pooled trust accounts shall include at least one managing broker of the Agent. If contingency reserve and/or special levy trust accounts are maintained, two signing authorities shall be required for any transfer of funds, which signing authority may be any two of the following: a managing broker, a licensee, director, officer or accountant of the Agent;

Meetings

- 3.17 Meetings - To arrange for a representative of the Agent to attend at a mutually agreed time and date, up to the number of Meetings per year, set forth in item 3 of Schedule A attached hereto. It being understood however, that the Agent’s attendance over and above the number of Meetings specified in item 3 of Schedule A hereto, or attending at any Meeting of a duration longer than the number of hours specified in item 4 of Schedule A, shall be mutually agreed upon by the parties and the Agent shall be entitled to charge the additional fees shown in Sections 5.2(b) or 5.2(c) as applicable;

Strata Council

- 3.18 Strata Council - To consult with and confer fully and freely with the Strata Council on behalf of the Strata Corporation in the performance of any of the Strata Council’s duties and to act upon the resolutions of the Strata Council in so far as such resolutions do not conflict with the Act, any Laws, the Bylaws, the Rules or a direction given by the Strata Corporation;
- 3.19 Assistance to Strata Council – To advise the Strata Council on the Act, and to advise the Strata Council of generally accepted practises throughout the strata agency industry. Such interpretation of the Act to be used by the Strata Council as a guide and shall not be regarded as legal advice;

Records

- 3.20 Records - To keep full and detailed records of the transactions of the Strata Corporation and to retain the records required to be maintained by section 35 of the Act (save and except any of the prescribed documents not provided to the Agent by the Strata Corporation, and those documents listed in Schedule B), for such time as required by RESA and the Act, and to make available for inspection at the request of the Strata Corporation, all of the Strata Corporation’s documents, accounts and records which the Agent may have and any such material shall be made available to any Owner, after first receiving reasonable notice from the

--	--

Owner in accordance with the Act, of their intention to inspect the records at the office of the Agent;

- 3.21 Use and Disclosure of Strata Corporation Information and Personal Information of Owners – To collect, use and disclose information respecting the Strata Corporation, including personal information respecting any Owner for any and all purposes related to the management, maintenance and administration of the Strata Corporation and for such other purposes as are appropriate in connection with the performance of the duties of the Agent respecting the affairs of the Strata Corporation, including the provision of documentation and information as required by the Act to facilitate the sale of any strata lot which shall include its distribution to the Owner's real estate licensees, potential purchasers, purchasers and their conveyancers, governmental authorities, Owners' mortgagees or other authorized requestors in accordance with the Act;
- 3.22 Owner/Tenant's Registry – To maintain a registry of all Owners and tenanted strata lots;
- 3.23 Minutes – At the request of the Strata Council, to provide the minutes of Strata Council meetings and annual and special general meetings of the Strata Corporation as prescribed by the Act;
- 3.24 Correspondence and Forms – To receive and respond to all correspondence as directed by the Strata Council and to sign, file and deliver statutory forms including certificates, receipts, certificates, or acknowledgements, all at the direction of the Strata Council;

Bylaws and Rules

- 3.25 Bylaws and Rules – To familiarize itself with RESA, the Act and the Strata Corporation's Bylaws and Rules;
- 3.26 Bylaw and Rules Enforcement – To assist with the enforcement of the Bylaws and Rules and, if so directed by the Strata Council, take appropriate action including legal action to enforce or stop any breach or infraction of the Bylaws and Rules, at the expense of the Strata Corporation;
- 3.27 Fines – To provide notice of fines upon the levying of fines by the Strata Council and provide follow up correspondence and initiate legal action as is necessary, at the expense of the Strata Corporation;
- 3.28 Liens – To prepare, sign, file and remove liens against delinquent Owners upon the direction of the Strata Council in accordance with the Act, and to provide follow up correspondence and initiate legal action as necessary, at the expense of the Strata Corporation;

Insurance

- 3.29 Property Insurance – Upon the direction of the Strata Council, to secure annual updates to the insurance appraisal for the Strata Plan and to renew insurance policies as they expire pursuant to the Act. All insurance appraisal costs and premium costs shall be expenses of the Strata Corporation;
- 3.30 E&O Insurance – Upon the direction of the Strata Council, to assist the Strata Corporation to place and maintain, at the expense of the Strata Corporation, Strata Council Errors & Omissions Insurance;
- 3.31 Liability Insurance – To assist the Strata Corporation to place and maintain, at the expense of the Strata Corporation, Comprehensive General Liability Insurance having a minimum coverage in the amount of \$2,000,000.00 or such greater amount as may be directed by the Strata Council. Such insurance policy shall list the Agent as additional insured and shall be applicable to any indemnification of the Agent by the Strata Corporation as required under this Agreement;
- 3.32 Insurance Coverage – To assist the Strata Corporation to place and maintain adequate fire, liability, steam boiler, pressure vessel, and other insurance required from time to time and have a qualified insurance agent review the insurance coverage of the Strata Corporation at least every year. The Agent shall not be liable for any negligence of any such insurance agent;
- 3.33 Availability of Insurance – When assisting the Strata Corporation in obtaining the insurance described in Sections 3.29 to 3.32, the Agent shall attempt to obtain such insurance on commercially reasonable terms. The Agent shall have no liability to the Strata Corporation or the Owners if such insurance is not available at all or if it is not available on commercially reasonable terms and the Strata Council elects not to maintain any or all such insurance;
- 3.34 Agent's Insurance – The Agent shall maintain such insurance as is required by RESA;

Maintenance and Services

- 3.35 Contractors and Employees - To co-ordinate the work of contractors, suppliers or employees to the best of their ability and whenever directed by the Strata Council or the Agent deems it advisable or necessary, the Agent shall hire or discharge contractors, suppliers or employees, and it is agreed and understood that all such employees and independent contractors shall be deemed to be employees and independent contractors of the Strata Corporation and not of the Agent, and paid by the Strata Corporation and not the Agent and that the Agent shall not be responsible for the acts, defaults or negligence of such employees or independent contractors if reasonable care has been exercised in their recommendation, appointment and retention;

- 3.36 Contracts – To make and sign contracts in the name of the Strata Corporation, in respect to the common property and common assets, for electricity, gas, fuel, water, telephone, janitorial services, window cleaning, landscaping, garbage disposal, vermin extermination and other services or such of them as the Strata Council shall deem advisable, and to monitor and negotiate renewal or replacement of such contracts;
- 3.37 Supplies - Subject to the limits expressed by the Strata Council, to place orders for and purchase, in the name of the Strata Corporation, all such equipment, tools, appliances, materials and supplies as is necessary to equip properly and maintain common property and common assets of the Strata Corporation;
- 3.38 Emergency Services – To use commercially reasonable efforts to maintain a 24-hour emergency contact service such that the Strata Council or Owners can contact the Agent with respect to matters affecting life or property damage, however the Strata Corporation acknowledges that such services may not be available in the event of a major regional emergency;
- 3.39 Limitation on Expenditures - The Agent agrees to obtain the approval of the Strata Council of the Strata Corporation to all expenditures in accordance with the Act and the Bylaws, other than: (a) expenses contained in the approved annual budget; (b) recurring operating charges; or (c) emergency repairs in excess of the maximum amount established by the Bylaws or as specified in Schedule B, if such expenditures are necessary in the opinion of the Agent to protect the common property and common assets of the Strata Corporation from damage or to maintain common services to occupants of any one or more strata lots;

Proceedings

- 3.40 Legal Proceedings – To assist in resolution of disputes involving the Strata Corporation, subject to the direction of the Strata Council, by recourse to the appropriate authority, including legal proceedings, arbitration, mediation, internal appeals and residential tenancy disputes, and the receipt by the Agent of a written authorization containing the signatures of two members of the Strata Council is sufficient authority for the Agent to so act;
- 3.41 Legal Counsel – Any provision in this Agreement allowing the Agent to take legal action on behalf of the Strata Corporation, shall where appropriate or required, mean taking legal action through the Strata Corporation’s legal counsel;
- 3.42 Owner’s Defaults - To sign and give notices to Owners of any defaults in any obligations of such Owners to repair or to maintain their strata lots or limited common property in a timely fashion;
- 3.43 Compliance with Notices or Orders – To notify the Strata Council of any notices or orders of any competent public authority requiring repairs to be done in respect of the common property and common assets, or any part thereof, and to notify the

Owners of individual strata lots that they must in a like manner comply with such notices or orders in regard to their own individual strata lots;

- 3.44 Compliance with Laws - To take such action on behalf of the Strata Corporation as the Strata Council may direct, as may be necessary to comply promptly with any and all orders or requirements affecting the Strata Corporation made by any governmental body or agency having authority or orders of any Fire Marshall, or board of fire underwriters or similar body;

Other

- 3.45 Sale of Strata Lots – To provide and sign documentation as required by the Act to facilitate the sale, financing or other dealings with any strata lot at the cost of the Owner or the proposed purchaser or lender. The Agent shall be entitled to retain the fees and disbursements it charges such Owners, proposed purchasers or lenders; and
- 3.46 Rebates or Discounts – Not to collect or charge any undisclosed fee, rebate or discount, and if any such fee, rebate or discount should be received by the Agent that fee, rebate or discount will be held in trust for and credited to the account of the Strata Corporation.

Agent’s Authorization:

- 4. The Agent shall be deemed the Agent of the Strata Corporation and to enable the Agent to effectively perform its services under this Agreement the Strata Corporation hereby appoints the Agent as its agent to perform the services set out in Section 3 hereof and to execute all documents and contracts for and on behalf of the Strata Corporation, as directed by the Strata Council, and to commence legal proceedings at the expense of the Strata Corporation as directed by the Strata Council and to perform all other duties provided for in this Agreement.

Strata Corporation’s Agreement:

- 5. The Strata Corporation covenants and agrees:
 - 5.1 Indemnity - To save the Agent harmless from any and all claims, damages, costs and liability incurred in connection with the services provided to the Strata Corporation and, without limiting the generality of the foregoing, to indemnify and save the Agent harmless from all claims, damages, costs and liability whatsoever incurred by the Agent in performing its responsibilities hereunder and to protect the Agent against any and all such claims, damages, costs, and liability in the same manner and to the same extent as the Strata Corporation, unless such claim, damage, cost or liability is caused by the gross negligence or wilful misconduct of the Agent;
 - 5.2 Agent’s Fees - To pay to the Agent the following fees:

--	--

AGENT STRATA

- (a) a fee in advance each and every month during the term of this Agreement, in the amount and on the day specified in item 6 of Schedule A;
 - (b) an additional fee in the amount specified in item 7 of Schedule A, for each additional Meeting over the number specified in Section 3.17 and item 3 of Schedule A;
 - (c) an additional hourly fee in the amount specified in item 8 of Schedule A, for each hour of attendance at any Meeting longer than the hours specified in Section 3.17 and item 4 of Schedule A;
 - (d) an additional fee for assisting with litigation support, special projects and/or major renovations, as determined by the size and nature of the special project and/or major renovations and as may be agreed between the Strata Corporation and the Agent or in the amount determined pursuant to Schedule B, if attached and initialled by both parties;
 - (e) an additional fee in the amount specified in item 9 of Schedule A, per strata lot for each month of depositing and processing of special levies;
 - (f) such additional fees as are provided for in Schedule B, or as may be agreed upon in writing from time to time;
- 5.3 Payment of Agent's Fees - The Strata Corporation hereby authorises the Agent to deduct the Agent's Fees and disbursements from the strata fees, special levies, assessments, user fees and any other monies collected by the Agent pursuant to Section 3;
- 5.4 Shortfall - That if the bills, accounts or expenses paid by the Agent pursuant to Section 3 hereof in any calendar month exceed the strata fees and other monies collected in such month by the Agent or if the Strata Corporation does not otherwise have sufficient funds to pay such bills, accounts or expenses, to pay the Agent the amount of such excess promptly upon request, which may include transfer of funds from the Contingency Reserve Fund where permitted under the Act. The Agent shall have no obligation to advance funds to the Strata Corporation for any purpose whatsoever;
- 5.5 Costs - To pay promptly the Agent's costs of printing, duplicating, mailing, postage, long distance telephone charges, courier or other service charges directly attributed to the Strata Corporation as per the attached Schedule A;
- 5.6 Transfer Documentation - To direct and compensate the Agent in accordance with the Act for all transfer of title and ancillary documents for owners;
- 5.7 Exclusivity - That the Strata Corporation, during the Term of this Agreement and for two (2) years after the termination hereof, will not engage or contract directly or indirectly with any present or past employee of the Agent, to perform services

the same as or similar to the services the employee performed for the Agent unless agreed to in writing by the Agent;

- 5.8 Documentation – To provide the Agent with all documents and records available to the Corporation, which may be reasonably required by the Agent to properly assist in connection with the services provided by the Agent to the Strata Corporation; and
- 5.9 Bylaws and Rules – To provide to the Agent a copy of the Bylaws and Rules of the Strata Corporation and to promptly notify the Agent of any amendments or additions thereto.

No Set Off

- 6. That the Strata Corporation shall not be entitled to set off against the Agent’s Fees or any other monies payable to the Agent under this Agreement, any uncollected strata fee, special levies or user fees or other monies owed the Strata Corporation.

Agent to Receive Instructions from Strata Council

- 7. The Strata Corporation hereby authorizes its Strata Council to deal with the Agent. It is agreed and understood that the Agent at all times shall be entitled to rely on and to act upon the instructions or directions received from the Strata Council, and where appropriate or circumstances require, the President or other members of the Strata Council. Without limiting the generality of the foregoing, the Agent may from time to time request instructions or directions in writing signed on behalf of the Strata Corporation by at least two members of the Strata Council, or a formal resolution of the Strata Council after a properly convened meeting of the Strata Council. The foregoing shall constitute the full and sufficient authority for the Agent to act in accordance with such instruction or directions. The Strata Council agrees to provide timely response to requests from the Agent for directions, instructions and information.

Financial Statements

- 8. That the Strata Council agrees to review each statement of receipts and disbursements referred to in Section 3.9, and within thirty (30) days from the date of provision of such statements to the Strata Council, to notify the Agent, in writing, of any alleged mistake or error on the part of the Agent in paying any bill, account or expense on behalf of the Strata Corporation. If the Agent receives no such notification within thirty (30) days of provision of such statements to the Strata Council, the statement shall be deemed to be conclusive and binding and the Agent shall be free from any and all claims in respect of such statement.

Assignment by Agent

- 9. The Agent may assign all of its interest in this Agreement and its rights hereunder to any other strata property brokerage, provided such assignee is a competent strata property

--	--

agent and covenants with the Strata Corporation to observe and perform the obligations of the Agent hereunder.

No Waiver

- 10. If a party to this Agreement breaches or defaults in its performance under this Agreement and the other party, expressly or implied, waives such default that waiver shall not be deemed or construed to be a waiver to any future breach or default in the performance of such defaulting party's obligations under this Agreement.

Severance

- 11. That in the event that any provision of this Agreement, or any part thereof, shall be found to be invalid the remainder of this Agreement shall be binding on the parties hereto and shall be construed that the invalid provision or part thereof had been deleted from this Agreement.

Successors and Assigns

- 12. This Agreement shall enure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

Amendments in Writing

- 13. Any amendment to this Agreement shall be effective only if it is in writing and is duly signed by the parties.

Duration and Termination:

- 14. This Agreement shall commence and become effective on the date set forth in item 1 of Schedule A hereof, and shall continue until terminated in accordance with this Section. This Agreement shall terminate upon the occurrence of any of the following events:
 - 14.1 Two months after receipt by the Agent of a notice of a resolution passed by a 3/4 vote approved by the Owners, terminating this Agreement;
 - 14.2 Two months after receipt by the Strata Corporation of a notice from the Agent, terminating this Agreement;
 - 14.3 Immediately, through the bankruptcy of the Agent; or
 - 14.4 Immediately, through the insolvency or fraud of the Agent.

After Termination:

- 15. Upon the termination of this Agreement, all obligations of the Agent shall cease except as otherwise expressly provided in RESA, and the Strata Corporation shall pay to the Agent any monies due to it under this Agreement and the Agent shall pay to the Strata Corporation all monies held by it in trust for the Strata Corporation. Further, the Agent shall transfer all records maintained for the Strata Corporation to the Strata Corporation

or its agent as may be directed by the Strata Council, upon payment of any outstanding fees to the Agent. The Agent shall be entitled to retain the original financial records for such period as is required for the Agent to comply with RESA, but the Agent shall provide the Strata Corporation with copies of the financial records, at the Strata Corporation's expense as provided in Schedule B.

Holdback:

- 16. Upon termination of this Agreement, the Strata Corporation shall continue to be responsible for the payment of any and all bills, accounts, and expenses incurred by the Agent within the authority of this Agreement to be paid by the Agent after such termination. The Agent shall be entitled to retain, for thirty (30) days after the date of such termination, a holdback of the monies (the "Holdback") to pay such bills, accounts and expenses or any of them. If a Holdback is not retained by the Agent or is insufficient, the Strata Corporation agrees to reimburse the Agent promptly upon demand for any and all such bills, accounts and expenses paid by the Agent after the termination of this Agreement.

No Partnership:

- 17. The relationship of the Agent to the Strata Corporation shall be that of agent and principal and this Agreement shall not under any circumstances constitute or be deemed to constitute the Agent or any of its employees, officers or authorized representatives, the legal representative, tenant, partner or employee of the Strata Corporation.

Personal Information:

- 18. The Strata Corporation hereby consents to the collection, use and disclosure by the Agent of information about the Strata Corporation and personal information about the Owners, for all purposes consistent with the matters contemplated herein.

Disclosure of Conflicts:

- 19. If at any time, the Agent determines it is in a conflict of interest with the Strata Corporation, the Agent shall give written notice of such conflict to Strata Council as soon as reasonably possible.

(the next page is the signature page)

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto as of the date first above written,

EXECUTED ON BEHALF OF **THE**)
OWNERS, STRATA PLAN _____)
 by its authorized signatories:)
)
 _____)
 Strata Council Member)
)
 _____)
 Strata Council Member)

EXECUTED ON BEHALF OF)
FACILITECH PROPERTY)
MANAGEMENT LTD. by its authorized)
 signatories:)
)
 _____)
 Authorized Signatory)
)
 _____)
 Authorized Signatory)

SCHEDULE B

Special Terms and Amendments

- 1. Section 5.5 Printing Costs: At Cost
 Mailing Costs:
 Long Distance Telephone Charges:
 Courier Costs:
 Other Service Charges:
 Storage Charges:

- 2. Section 3.39 Maximum Amount of Emergency Expenditures by Agent:
 \$500

- 3. Section 5.2(d) Additional fees: Negotiate
 Litigation Support: _____
 Special Projects: _____
 Major Renovations: _____
 Other: _____

- 4. Section 5.2(f) Additional fees: _____

- 5. Section 15 Cost of photocopying: .25Cents per page

- 6. Special Terms _____

--	--

AGENT STRATA