

# ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

## **ANDMAR DEVELOPMENT CORP.**

### **PHASE 1**

***Revised to include all residential units in Phase 1***

**FOR: ANDMAR MIXED USE COMMERCIAL AND RESIDENTIAL DEVELOPMENT  
Chilliwack, British Columbia**

**DATE: May 30, 2026**

**DEVELOPER: Andmar Development Corp.**

**MAILING ADDRESS: SUITE 201 – 585 16<sup>TH</sup> STREET  
WEST VANCOUVER, B.C.  
V7V 3R8**

THIS INFORMATION STATEMENT HAS BEEN PREPARED BY THE DEVELOPER FOR A DEVELOPMENT CALLED ANDMAR. THE DEVELOPER IS NOT REQUIRED TO PREPARE OR FILE A PROSPECTUS OR DISCLOSURE STATEMENT AND WILL NOT FILE THIS INFORMATION STATEMENT WITH ANY GOVERNMENTAL BODY. THIS INFORMATION STATEMENT CONTAINS AN OVERVIEW OF THE ANDMAR DEVELOPMENT ONLY AND DOES NOT AMEND OR MODIFY ANY OF THE AGREEMENTS RELATING TO THE DEVELOPMENT. THIS INFORMATION STATEMENT IS FOR THE PURPOSES OF MARKETING THE RESIDENTIAL UNITS IN THE DEVELOPMENT ONLY. IN THE EVENT OF ANY CONFLICT BETWEEN THIS INFORMATION STATEMENT AND ANY AGREEMENTS RELATING TO THE DEVELOPMENT, THE AGREEMENTS WILL GOVERN. INTERESTED PARTIES SHOULD CONSULT WITH THEIR LEGAL AND OTHER PROFESSIONAL ADVISORS PRIOR TO MAKING AN INVESTMENT IN THE DEVELOPMENT.

### **MARKETING AGENTS**

At the time of making this Information Statement, the Developer has retained the real estate brokerage company Homelife Advantage Realty Ltd. 8387 Young Road, Chilliwack B.C. V2P 4N8 to market the residential condo homes to be constructed upon the Lands (as that term is defined herein). The real estate agents of Andmar, who will be engaged to market the residential condominium style homes (the "Units") to be constructed as part of the development upon the Lands, are all licensed pursuant to the *Real Estate Services Act* (British Columbia). The Developer also reserves the right to utilize its own employees to market the residential Units to be constructed upon the Lands (as the term is defined herein). Employees of the Developer are not required to be licensed under the *Real Estate Service Act* (British Columbia) and shall not act on behalf of the purchasers. The Developer also reserves the right to appoint additional and/or replacement agents and realtors.

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## DISCLAIMERS

**THIS INFORMATION STATEMENT RELATES TO PROPERTY SITUATED UPON TZEACHTEN FIRST NATIONS RESERVE LAND. THE CHIEF AND COUNCIL FOR THE TZEACHTEN FIRST NATION BAND HAVE APPROVED THE DEVELOPMENT.**

**THE *REAL ESTATE DEVELOPMENT MARKETING ACT* DOES NOT GOVERN THE MARKETING OF THE PROPERTIES REFERRED TO HEREIN.**

**THIS INFORMATION STATEMENT HAS NOT BEEN FILED WITH THE SUPERINTENDENT OF REAL ESTATE AND NEITHER THE SUPERINTENDENT OF REAL ESTATE OR ANY GOVERNMENT AUTHORITY HAS DETERMINED THE MERITS OF ANY STATEMENT CONTAINED IN THE INFORMATION STATEMENT AND THIS INFORMATION STATEMENT IS PROVIDED SOLELY FOR INFORMATIONAL PURPOSES AND PROSPECTIVE PURCHASERS.**

## EXHIBIT REVIEW

Attached to this Information Statement are certain proforma documents some of which will be required to be entered into by the parties at closing. A list of the most relevant documents are listed on page 21 of this Information Statement. Please note that each of the Purchase Contract and the Sublease attached as exhibits hereto each respectively refer to exhibits attached thereto. For brevity of this information statement the exhibits referred to in the Purchase Contract and the Sublease have not been attached to each of those documents as they are otherwise attached as exhibits to this information statement and therefore are included in both the Purchase Contract and the Sublease by reference thereto.

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## INTRODUCTION

Andmar is a mixed commercial and residential development (the "Development") offering residential sublessees to buyers of all ages. The two phased Development is being constructed on ten acres of Federal Crown Land held in reserve for the Tzeachten First Nations in Chilliwack, B.C. The land is leased by the Developer for 109 years pursuant to two leases dated June 1, 2019 and ending on May 31, 2128. (hereinafter called the "Head Lease").

The Development is located in Sardis on the corner of Promontory Road and Thomas Road. The Development will consist of 6 mixed use buildings and 4 residential buildings. The Development will have approximately 120,000 square feet of commercial space and up to 600,000 square feet of residential space consisting of approximately 461 residential units ("Residential Units"). An underground parking lot servicing the commercial and residential areas will be constructed on the entire ten acre site.

Phase 1 of the Residential Development, which is currently being marketed by the Developer, will contain 245 Residential Units and approximately 76,000 square feet of commercial retail space. The retail space will feature a 25,000 square foot premium grocer and a pharmacy operated by the Pattison Group. The proposed five residential towers in Phase 1 will be constructed with wood frame above a concrete first floor retail area with the exception of building 5 which will be concrete construction of which floors 1, 5 & 6 will be commercial. Phase 2 will contain five residential buildings. Pursuant to the Head Lease the Developer will grant subleases for each Residential Unit as each building is constructed.

As the Development is located on Federal Crown First Nations land, the British Columbia *Strata Property Act* does not apply to the Development. The Development has been structured, however, so that it will function in a manner similar to a development authorized pursuant to the *Strata Property Act*. When construction of each Unit has been completed and the sublease for that Unit has been granted to a Buyer, the Developer will also transfer to the Buyer a non voting share in a British Columbia company called " Andmar Homeowners' Corp. " ("AHC"), which will carry on functions similar to a strata corporation for the Development. There will be one Homeowners' Corp. for the first phase of the Development and a separate Homeowners' Corp. or society for Residential Units located in Phase 2 of the Development. The Developer will retain control of AHC during construction and thereafter for six months after the last Unit of the Phase 1 of the Development has been sold and the sublease for that last Unit has been registered in the First Nations Land registry ("FNLR") and will retain control of the home owners corporation or the society for Phase 2 of the Development until the last Unit of the Phase 2 of the Development has been sold and the sublease for that last Unit has been registered in the FNLR.

In brief, the Development will be structured and operate as follows when all Phase 1 of the Development has been completed and all subleases have been conveyed by the Developer:

- A. AHC will be granted a sublease of the common areas and common facilities in Phase 1 of the Development (the "Common Areas").

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- B. All of the shares in the AHC will eventually carry voting rights and shall be registered to Sublessees;
- C. The board of directors of the AHC will be elected by the Sublessees of the Units and all Unit Sublessees will have the right to stand for election to the board of directors of (the "Board") AHC. A director must be a Sublessee of a Unit, or a nominee of a corporate owner. The Board will have the responsibility of managing the Development pursuant to the by-laws of AHC in the same way a strata council manages the business of the strata corporation in a development governed by the *Strata Property Act*.
- D. AHC, through its board of directors, will be responsible for those issues relating to the Development that the strata council would be responsible for under a typical strata corporation including, but not limited to, maintenance of the common areas of the Development, placing of liability insurance on the common areas, payment of insurance premiums to the Developer, settling of budgets, collection of maintenance and operating fees, arranging garbage collection and landscaping services and enforcement of the bylaws relating to the Development.
- E. The Sublessees will all be entitled to use the common areas subject to any restrictions (if any) contained in the by-laws of AHC.
- F. AHC will administer, and obtain revenue from the buildings guest suites, if any, within the Development.

Phase 2 of the Development will have a separate Home Owners' Corp. or a society to manage the affairs of the residential units in Phase 2. It will be set up substantially in the same manner as the HOC for Phase 1 and it shall have the same requirements as Phase 1 with respect to turning over control of the Home Owners Corp. or the society and shall have similar requirements for being elected to the board controlling it.

### 1. LOCATION OF THE LANDS

#### 1.1 The Lands:

The Development is being constructed on approximately 10 acres of lands described as follows in the First Nations Land Registry ("FNLR") located in or near the City of Chilliwack, B.C. on Tzeachten, IR 13 Lots 381 & 382 CLSR Plan 107517. Plans indicating the location of the proposed buildings for Phase 1 on the lands, the proposed type of suites for each floor on the Phase 1 buildings and the proposed floor plans for the Units in the Phase 1 building are attached hereto as Exhibit "A". The exact area and location of the buildings in Phase 1 and the floor plans for the Phase 1 buildings may vary slightly from that shown on Exhibit "A".

#### 1.2 Street Location

Each building in the Development will have its own civic address and that address will appear in the individual purchase agreements.

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## **2. THE DEVELOPER**

The Developer, Andmar Development Corp. is a company that was incorporated on July 23, 2018. The company's directors are Andrew Macdonald and Mark Perry.

### **2.1 Purpose and Assets:**

The Developer was formed for the purposes of developing the Development described herein and has no other assets other than those related to the Development Lands.

### **2.2 Records office Address:**

Address for Service: Suite 201 – 585 16<sup>th</sup> Street, West Vancouver, B.C. V7V 3R8

### **2.3 Developer History:**

The Developer is controlled by Andrew Macdonald and Mark Perry the directors of the Developer. Andrew Macdonald and Mark Perry have been involved in real estate for many years. Since 2012 they have completed three developments in Sardis on Tzeachten land: a 267 unit master planned community known as Englewood Village and Englewood Courtyard, a 98 unit luxury retirement development known as SkyNest, and a 109 unit rancher development known as Malloway Village. In addition they have completed or have under construction a number of residential and industrial developments on other First Nation Lands in the Fraser Valley.

### **2.4 Developer Rights:**

The Developer may rent any Units in the Development to tenants without AHC approval. The Developer may retain one or more Units for use as display suites as part of the Developers marketing activities in the Development. While marketing and sales are underway the Developer shall have unrestricted access to the Development.

## **3. LEASE AGREEMENT**

### **3.1 Head Lease:**

The following is a description of some of the material terms in the Head Lease

- (a) The term of the Head Lease is 109 years commencing on the Commencement Date June 1, 2019;
- (b) The basic rent under the Head Lease was prepaid in full for the whole term;
- (c) The Lessee under the Head Lease has certain ongoing obligations under the Head

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Lease, including the obligation to pay all ongoing third party expenses such as taxes and utilities, the obligation to maintain, repair, replace, reconstruct and restore the premises, the obligation to insure and the obligation to ensure compliance by all sublessees with the terms of the Head Lease.

- (d) The Head Lease is registered in the FNLR in Ottawa. The Head Lease will not be registered under the British Columbia Land Title System.
- (e) A copy of the Head Leases are attached hereto as Exhibit "B".

### 3.2 Sublease:

The Developer has created individual subleases for each Unit in the Development (a "Sublease" or "Subleases"); Subleases will be granted to each Purchaser of a Residential Unit. Material terms of each Sublease include the following:

- (a) The term of each Sublease will end one day prior to the termination of the Head Lease subject to prior termination in the event of default;
- (b) each Sublessee is obligated to maintain and repair his or her Unit and pay his or her proportionate share of certain ongoing expenses relating to the common areas during the term of the Sublease (in the same fashion as an owner of a strata unit pays similar costs), including costs of insurance, cost of repairs, maintenance, upkeep, taxes, utilities and the like;
- (c) a Sublessee may transfer, assign or divest their interest in the sublease to any person or entity by a written document registered in TFN Land Office and the First Nations Land Registry ("FNLR").
- (d) The Sublease will be registered in the TFN Land Office and the FNLR in Ottawa. The Sublease will not be registered under the British Columbia Land Title System;
- (e) Unless the Sublessee is financing with CMHC mortgage and paying a CMHC insurance fee, the Sublease will provide that the Sublessee must pay a monthly sublease fee of \$75.00. The monthly sublease fee will be adjusted annually based on changes in the Consumer Price Index as provided for in the Sublease;
- (f) that the Sublease is expressly subject and subordinate to the Head Lease and to the rights of the Lessor thereunder, and that the Sublease will terminate upon the termination of the Head Lease;
- (g) in the event of any conflict between the terms of the Head Lease and this Sublease the terms of the Head Lease shall prevail.

The terms of the Subleases may be amended, before delivery to the Sublessee by the Developer acting reasonably.

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A copy of a typical Sublease is attached hereto as Exhibit "C"

### 3.3 Homeowners' Corporation:

The Lands are First Nation Reserve lands which are not registered in the British Columbia Land Title System and the *Strata Property Act* of British Columbia does not apply to the Lands. As a result, the following steps have been taken to structure the Development in a manner similar to a development that might be done under the Provincial *Strata Property Act*:

- (a) AHC was incorporated pursuant to the *Business Corporation Act* of British Columbia and such legislation, or any successor legislation, will govern the operation of AHC and the rights and obligations of its shareholders, officers and directors. The Articles of AHC will require that certain significant decisions be approved by seventy-five (75%) percent of the votes cast at a meeting. Upon completion of Phase 1 AHC will be granted a sublease of the common areas in the Development and will perform functions similar to those performed by a strata corporation under the B.C. *Strata Property Act*;
- (b) The Developer will have control of AHC for a period of six months after the last of the Units in Phase 1 of the Development have been sold and subleases registered in the FNLR. The share capital of AHC consists of one Class A Voting Share and an unlimited number of Class B Non Voting Shares. One Class "B" Non Voting Share will be issued to each Sublessee upon registration of his/her/their Sublease in the FNLR. Within six months of the last sublease for a Unit in the Development being registered in the FNLR the Class B Non Voting shares shall be converted to voting shares and the Class A Voting Share of the Developer shall be canceled. The change of control of AHC is provided for in an agreement called the Control Relinquishing Agreement that each Sublessee is required to sign prior to registration of their Sublease. Exhibit "M".
- (c) If after control of AHC has been passed onto the Sublessees the Developer has decided to retain any Units for its own account then the Developer shall retain one vote in AHC for each Unit then owned by the Developer and the total number of voting shares issued by AHC will equal to the total number of Units in Phase 1 of the Development;
- (d) AHC will perform functions similar to those performed by a strata corporation under the *Strata Property Act*. In particular; AHC (which will function through its board of directors) will be responsible for maintaining the common areas, common area insurance, establishing budgets, collecting maintenance and operating fees and enforcing any bylaws relating to the Development;
- (f) Each Sublessee is entitled to one share in AHC. The only shareholders of AHC will be the Developer and the Sublessees. On the day proceeding the day that control of AHC is passed to the Sublessees the Developer will appoint the directors of AHC who shall stand as directors until the next annual meeting of the shareholders of AHC. The Developer may choose to appoint Sublessees to the board of directors for AHC prior to control of AHC being passed to the Sublease owners;

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- (f) Upon assignment of a Sublease by a Sublessee to a Buyer, the share in the capital of AHC relating to that Sublease must be transferred to the new Buyer of the Sublease;
- (g) The AHC may enter into a management contract for management services; and
- (i) In order to ensure that any unpaid charges to AHC are secured ahead of ordinary creditors of a Sublessee each Sublessee will be required to execute an equitable charge agreement in favour of AHC prior to registration of their Sublease. A copy of the equitable charge agreement is attached hereto as Exhibit "D".

### 3.4 Occupancy Restrictions:

The Units may only be occupied for residential purposes, which includes home office use and the right to rent the Units on a monthly tenancy unless otherwise prohibited by the Bylaws of AHC.

### 3.5 Termination Provisions:

#### (a) The Subleases

The termination provisions are set out in Article 22.2 of the Sublease. If the Sublessee of a Unit is in default under the Sublease the Sublessee will be given written notice of the default and the notice will specify the particulars of the default. Upon receipt of a default notice, the Sublessee will have:

- (i) 30 days from receipt of written notice from the Sublessor to cure a default which constitutes a default under the terms and conditions of the Head Lease; or
- (ii) if the default is with respect to a default which does not constitute a default under the Head lease, the Sublessee will have 90 days from receipt of written notice from the Sublessor to cure such default,

If the Sublessee fails to cure the Default the Sublessor shall have the right, subject to the rights of the Sub lessee's mortgagee to cure such default under Article 21.5 of the Subleases, to re-enter and re-take possession of the Residential Unit and terminate the Sublease.

### 3.6 Rent/Additional Rent:

The Purchase Price agreed to by the Developer and Sublessee in the Purchase Contract for purchase of the Sublease will be the amount set out in Article 4.1 (a) of the Sublease. In addition to the Purchase Price the Sublessee will be required to pay Base Monthly Costs as set forth in Article 4.1 (b) of the Sublease. The Developer may permit prepayment of the Base Monthly Costs, on terms established from time to time by the Developer. Interested parties should contact the Developer to determine any such prepayment terms. The Sublessee will also be required to pay to the Lessor any Additional Rent as may be set out in the Sublease including any applicable taxes assessed by the Federal or Provincial

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governments or by the TFN (if any).

The Common Costs and Operating Costs payable as Additional Rent are described in Article 2.1 (0) and 2.1 (kk) of the Sublease and are similar to monthly strata fees in a Strata Corporation and will be collected by the Homeowners Corporation to cover its cost of maintaining, repairing and replacing the Common Areas and Common Facilities, paying the Developments Operating Costs together with a contingency reserve.

### 3.7 Repayment Provisions:

Except as provided in Article 22.3 of the Sublease no portion of the Rent under the Sublease will be repaid to the Sublessee under any circumstances.

### 3.8 Registration:

Each Sublease, once signed by the Developer and the buyer will be submitted and registered in the Tzeachten Land Office and the First Nation Land Registry when the purchase of the Unit closes. The Sublease cannot be registered in the British Columbia Land Title Office.

### 3.9 Assignment and Subleasing:

#### 1. Assignment of a Sublease

- (a) A Sublessee of a Unit may, if not in default under the Sublease, and subject to the Bylaws of AHC, sell and assign his or her interest under the Sublease by assignment to a third party upon payment of an administration fee to the Sublessor of equal to one half of one percent (0.5%).

### 3.10 Common Costs and Operating Costs:

Attached as Exhibit "J" is the estimated operating budget for the Common Costs and Operating Costs for Phase 1 of the Development and attached as Exhibit "K" is the estimated monthly maintenance fees for each Unit in Phase 1 of the Development.

### 3.11 Encumbrances:

Other than the Developer's security for its financing with First West Credit Union, as of the date hereof there are no encumbrances registered against the Lands. It is anticipated that during the course of construction of the Development there may be right of way, easements and servicing agreements registered against the Lands prior to the registration of any subleases.

The Developer may itself, or may cause the AHC, to grant permits or easements over the Lands prior to conveyance of the Units or after conveyance of the Units to permit access over and use of common areas (such as roadways, parking areas, walkways, water lines, sewer lines, etc.) by future phases of the Development. All common areas (except those

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designated exclusive use areas) of all phases of the Development will be available for use by all Sublessees and occupiers of all phases of the Development.

The Developer may itself, or cause AHC, to enter into agreements, easements or rights of way or similar rights, as may be required, for public utilities or authorities, as may be required between the phases of the Development, and as required by the TFN to secure the payment of utilities, property taxes or other amounts due to TFN and as may be otherwise required for the Development of all phases of the Development.

AHC may designate parking spaces, storage lockers and limited common areas and facilities, in areas designated as exclusive for Residential Units, for the exclusive use of a Sublessee or group of Sublessees.

### 3.12 Construction Financing:

The Developer has construction financing in place for the Development with First West Credit Union which is secured by a mortgage over the Lands. The present First West Credit Union mortgage or any mortgage replacing the present First West Credit Union mortgage shall be discharged on a per Unit basis as each Sublease for a Unit is registered.

### 3.13 Mineral Rights:

The Head Lease reserves the right for the Lessor to extract minerals from the lands.

### 3.14 Litigation:

There is no outstanding or anticipated litigation in respect of the Development or against the Developer which may affect the Development.

## 4. THE DEVELOPMENT

### 4.1. General Description of the Development:

**Andmar** is a mixed commercial and residential development (the “Development”) offering residential sublessees to buyers of all ages. The three phase Development will be constructed on ten acres of Federal Crown Land held in reserve for the Tzeachten First Nations in Chilliwack, B.C. The land is leased by the Developer for 109 years pursuant to two leases dated June 1, 2019 and ending on May 31, 2128. (hereinafter called the “Head Lease”).

The Development is located in Sardis on the corner of Promontory Road and Thomas Road. The Development will consist of 6 mixed use buildings and 5 residential buildings. The Development will have approximately 120,000 square feet of commercial space and up to 600,000 square feet of residential space consisting of approximately 461 residential units (“Residential Units”). An underground parking lot servicing the commercial and residential areas will be constructed on the entire ten acre site.

Phase 1 of the Residential Development, which is currently being marketed by the

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Developer, will contain 245 Residential Units and approximately 86,000 square feet of commercial retail space. The proposed five residential towers in Phase 1 will be constructed with wood frame above a concrete first floor retail area with the exception of building 5 which will be concrete construction of which floors 1, 5 & 6 will be commercial Phase 2 will contain five residential buildings. Pursuant to the Head Lease the Developer will grant subleases for each Residential Unit as each building is constructed.

As the Development is located on Federal Crown First Nations land, the British Columbia *Strata Property Act* does not apply to the Development. The Development has been structured, however, so that it will function in a manner similar to a development authorized pursuant to the *Strata Property Act*. When construction of each Unit has been completed and the sublease for that Unit has been granted to a Buyer, the Developer will also transfer to the Buyer a non voting share in a British Columbia company called " Andmar Homeowners' Corp. " ("AHC"), which will carry on functions similar to a strata corporation for the Development. There will be one Homeowners' Corp. for the first phase of the Development and a separate Homeowners' Corp. or a society for Residential Units located in Phase 2 of the Development. The Developer will retain control of AHC during construction and thereafter for six months after the last Unit of the Phase 1 of the Development has been sold and the sublease for that last Unit has been registered in the First Nations Land registry ("FNLR"). In brief, the Development will be structured and operate as set out in Article 3.3 above.

The Developer will attempt to minimize disruption to Sublessees in a prior constructed buildings as Phase 1 construction is proceeding however, some disruption is unavoidable. The Developer reserves the right to delay or not proceed with the construction of remaining buildings in Phase 1 and/or Phase 2 of the Development but presently estimates Phase 2 construction will commence on or around 2027/2028. The Developer reserves the right to change the configuration, number and type of Units that may be constructed in unconstructed buildings in Phase 1 and in Phase 2 of the Development. The timing and specifications for construction of the balance of buildings in Phase 1 and Phase 2 will be determined from time to time by the Developer.

### 4.2 Use:

All residential Units are intended for residential use only which may include home office uses. Home office uses must not cause noise or nuisance to other Sublessees and must operate in accordance with the Bylaws. The Developer may use unsold Units for marketing purposes.

### 4.3 Plans:

Exhibit "A" to this Information Statement is the site plan for the Development, the location of the proposed Residential Units in Phase 1 and the proposed floor plans for Phase 1 Residential Units. All dimensions will be measured by the standard method for measuring strata units where the *Strata Property Act* has application.

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### 4.4 Common Areas:

The common property of the Development, whether sublet to the AHC or otherwise, consists of roads, parking areas, garden areas, boulevards, utilities outside of Units, common areas of residential buildings such as lobbies, hallways, washing rooms, patios, roofs, elevators and exterior walls, underground parking area, storage lockers, courtyards, common mail box shelter, garbage enclosure and amenity areas. The Developer has no present intention of developing an amenity centre but if one is developed in the future it will be available for the use and enjoyment of all Sublessees and occupants of Residential Units in the Development. However, the Developer may designate limited common areas and facilities for the exclusive use of a Sublessee or group of Sublessee. In the future if there are external patios adjacent to a ground floor Residential Unit they will be for the exclusive use of the adjacent ground floor Unit.

### 4.5 Proportionate Share:

The proportionate share of each Residential Unit (the "Proportionate Share") is akin to unit entitlement in a strata corporation and is used to calculate a Sublessee's contribution to the expenses of AHC. Proportionate Share is based on the habitable area (excluding any nonliving areas such as balconies decks or patios) of the Residential Unit as compared to the habitable area of all of the Residential Units, in the phase of the Development that will be controlled by AHC and for areas of the entire Development that are used by the Residential Units which require a contribution by the AHC such as roads and parking areas ("Operating Costs"). Proportionate Share is to be finally settled by the Developer. The Proportionate Share will be used to determine the Sublessee's share of the costs for Common Costs and Operating Costs as described in the Sublease. A schedule of the Proportionate Share for the Phase 1 of the Development is included as Exhibit "E". The Proportionate Share calculation may change in the Developer's sole discretion if more Residential Units are added in the Development.

### 4.6 Interest on Destruction:

Should there be a loss of a building(s) that cannot be restored, reconstructed or replaced then in such case the Sublessee will share in the insurance proceeds as provided in the Head Lease and the Sublease. In order to determine the Sublessee's share of the insurance proceeds in such case the Developer will determine the Sublessee's interest on destruction ("Interest on Destruction").

Interest on Destruction is based on the estimated market value of the Residential Units that are sold and controlled by AHC. Prior to completion of all the Residential Units controlled by AHC the Developer may amend the Interest on Destruction calculations as Residential Units are completed and sold. Once all of the Residential Units in Phase 1 are completed and sold the final numbers for Interest on Destruction will be finalized. If a loss occurs prior to all the Residential Units in Phase 1 being completed and sold the Sublessee's Interest on Destruction calculation shall be determined based only on the Residential Units actually completed and sold at the time of the loss.

### 4.7 Construction Commencement:

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Construction of Phase 1 has already commenced.

### 4.8 Construction Completion:

Completion of the balance of Phase 1 is anticipated to be approximately on or before December 31, 2027.

### 4.9 Approvals and Finances:

The Developer's construction financing is in place. It is anticipated First West Credit Union will provide the financing for all phases of the Development or it may syndicate the construction financing of subsequent phases of the Development.

### 4.10 Development Approval:

(a) The overall development master plan for the Development has been approved by the TFN.

#### (b) Building Permit

Permits for the construction will be obtained from the TFN in accordance with the Head Lease and the TFN Building Bylaw

#### (c) Building Inspections

The Development will comply with BC Building Code and all requirements of the Head Lease. Construction will be inspected by qualified professionals and building inspectors retained by the Developer. Inspection certificates will be obtained from trade professionals or inspectors designated by the Developer and occupancy permits will be provided by the TFN.

#### (d) Utilities and Other Services

The Development will be provided with the following Utilities and Services:

(i) Services – domestic water, sanitary sewer, street access and fire and police protection will be supplied by the City of Chilliwack pursuant to a servicing agreement entered into between the City of and TFN.

(ii) Hydro – The Development will be provided with electricity by British Columbia Hydro.

(iii) Gas – The Development will be serviced with natural gas.

(iv) Telephone – The Development will be provided with telephone service by Telus or Rogers.

(v) Television – The Development will be provided with television service by Rogers or Telus.

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The day-to-day charges for the above utilities and services are charged directly to the Sublessees and are determined by sub-metering or by Proportionate Share if sub-metering is not applicable. Services providers may change from time to time.

### 4.11 Changes from Natural State:

There have been no changes from the natural state of the Lands other than normal clearing, excavation and landscaping,

### 4.12 Soil Conditions and Flooding Dangers:

Based on a physical examination of the Lands, the Developer is not aware of any hazards or dangers to the Lands with regard to soil conditions or flooding.

### 4.13 Access:

Primary access to the Development is by way of Thomas Road which connects with Promontory Road. There will also access to the Development from Promontory Road.

## 5. THE OFFERING

### 5.1 Terms of Offering:

#### (a) Offering

Purchasers will be granted a sublease of their Unit and will acquire one share in the capital of AHC.

#### (b) Equipment in Unit Each Unit will include a builder's appliance package, an underground garage door opener and a cooling + heating system.

#### (c) Parking

There will be surface and underground parking for both the commercial tenants and Residential Units. Residential Units shall have a gated area in the underground parking lot. Each Residential Unit will be allotted one parking space in the gated area of the underground parking lot. Guests of Residential Units may park in the public parking area of the underground parking lot or in the surface parking as designated by signage and as determined by the Developer. No parking will be allowed on the common roads. Sublessees may only park vehicles in their parking stall, and must abide by all Bylaws regarding parking of vehicles.

#### (d) Warranties

The Developer has provided what is commonly known as 2-5-10 New Home Warranty. It is anticipated that the New Home Warranty will be provided by National Home Warranty as described in Exhibit "G". The Developer reserves the right to provide the New Home Warranty through another warranty provider.

## ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

(e) Developer's Subletting of Units

The Developer has the right to retain the Subleases for any Residential Units in the Development for sale or subletting. The Developer may also retain one or more Residential Units for use as display suites as part of the Developer's marketing activities in the Development.

5.2 Deposits:

The Deposits shall be dealt with as provided in the Sublease Article 1 and 1(a) of the Purchase Contract..

5.3 Purchase Contract:

The Developer intends to use its own form of Purchase Contract, which is attached hereto as Exhibit "H". The Developer reserves the right, in its sole discretion, to revise the Purchase Contract from time to time. The Purchase Contract provides in part:

(a) Restrictions on Assignment

There are restrictions on a Buyer selling, assigning or disposing of a Buyer's interest in the Purchase Contract or interest in the Residential Unit. The restrictions are set out in Article 12 of the Purchase Contract. The Buyer is not permitted to sell, assign or dispose of the buyer's interest until;

(i) the Buyer has paid the deposit due under the Purchase Contract; and

(ii) the Developer has sold all of the Units in the building.

In addition, an assignment fee equal to one half of one percent (0.5%) of the Purchase Price is payable to the Developer at the time of the sale, assignment or disposition. Prior to the issuance of a sublease interest pursuant to a Purchase Contract, the assignment fee will be reduced to three hundred dollars (\$300.00) if a Buyer wishes to exercise a one time right to assign the Buyer's interest in the Purchase Contract to the Buyer's spouse, parent, child, grandparent or grandchild.

(b) Buyers Default

If the Buyer fails to complete the purchase of the Residential Unit in accordance with the terms of the Purchase Contract the Deposit, in the sole discretion of the Developer, may be paid to the Developer without prejudice to the Developer's other rights and remedies under the Purchase Contract or at law generally.

5.4 Property Taxes and Utility Rates:

(a) Unit Taxes

Each Unit holder is responsible for property taxes for his or her Unit. TFN has enacted a taxation and assessment bylaw as authorized by the *Indian Act*, which has been approved by the Minister of Indian Affairs and Northern Development and which is typically based on the City of Chilliwack's model for property taxation. Property taxes will be collected by TFN. The Sublease requires each Unit holder to abide by the

## ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

TFN bylaws. The TFN has issued a policy statement regarding taxation, a copy of which is attached as Exhibit "I".

### (b) Expenses

Electricity, cablevision and telephone are separately metered or assessed to each Unit and are the responsibility of each Sublessee:

Each Sublessee shall pay to AHC their Proportionate Share of the Common Costs and Operating Costs as described in the definition section of the Sublease. which will include but not be limited to the following:

- Gas, Water, Sewer, Hot Water for the common areas and the homes (these are bulk metered.)
- Electricity for common areas.
- Sewer for common areas.
- Garbage collection and recycling for the Development
- Janitorial costs, repair and maintenance for common areas in the Development
- Property Management for the Development
- Landscape maintenance for the entire Development
- Such other costs as may reasonably be considered common costs in the Development.

### 5.5 Common Expenses:

- (a) Exhibit "J" to this Information Statement is an estimated pro forma budget as of the date hereof for a typical full year of operating expenses for Common Costs and Operating Costs for Phase 1 only of the Development. The budget is subject to variation by the Developer and/or AHC.
- (b) The estimated costs are based on costs experienced by existing comparable developments however, the costs contained in the proforma budgets are estimates only.
- (c) Exhibit "K" to this Information Statement is the schedule of the anticipated monthly maintenance assessment for Common Costs and Operating Costs for each Residential Unit in Phase 1 when Phase 1 of the Development is completed. The anticipated monthly maintenance costs will vary as the Residential Units in Phase 1 are completed. The monthly maintenance costs will also vary when Residential Units in Phase 2 are completed and sold.

### 5.6 Fire and Liability Insurance:

- (a) The Developer will arrange insurance coverage as required by the Head Lease which insurance will be all risk, all property insurance for the full replacement value of all of the improvements on the Land and which policy will provide for general liability insurance of at least \$5,000,000.
- (b) When the common property is subleased to the AHC the Developer will cause

## **ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1**

the AHC to arrange liability insurance coverage on the common areas of at least \$5,000,000.

- (c) The Developer and/or AHC shall arrange all peril replacement insurance during the construction period and thereafter when the Development has been completed.
- (d) The Buyer will be responsible for insuring the contents of his or her Unit including public liability insurance in an amount of not less than \$2,000,000 and said insurance must also provide insurance that will cover the deductible of the Developer or AHC if an event occurs in the Residential Unit that damages other Residential Units. The public liability insurance policy must name as additional insureds the Developer and the Lessor under the Head Lease.
- (e) Each Owner will be required pay to the Sublessor and or AHC his/her proportionate share of the insurance arranged by the Developer, as provide in 5.6 (a), (b) & (c) above.

### **6. Restrictions on Usage of Development**

#### 6.1 Use of Units:

No Units will be retained or alienated for non-residential purposes (other than home office use), except for use of certain Units by the Developer for marketing purposes for the Development, or for marketing units in developments in the vicinity of the Development in which the Developer and/or the principals of the Developer have an interest.

#### 6.2 Bylaws

The form of Bylaws is attached hereto as Exhibit "L".

### **7. Control Relinquishing Agreement**

- 7.1 Prior to registration of a Sublease in the FNR and the FNLR a Sublessee must execute the Control Relinquishing Agreement referred to in Article 3.3 (b) of this Information Statement. A copy of the Control Relinquishing Agreement is attached hereto as Exhibit "M".

### **8. Miscellaneous**

#### 8.1 Material Contracts:

The following material contracts have now been entered into that will bind the Developer and/or AHC or a Buyer. This list may not be exclusive if it becomes apparent to the Developer and/or the AHC that further contracts must be entered into for the orderly operation of the Development... Examples of such contracts are described in the non exclusive list below:

Property Management;

## **ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1**

Common area maintenance;  
Landscape Maintenance;  
Telus  
Waste Collection

The Developer reserves the right, acting reasonably, to enter into all material contracts necessary to reasonably operate the Development and the Residential Units.

### **8.2 Construction Activities:**

During construction of Phase 1 or Phase 2 of the Development, normal construction activities will take place on the Development, and will result in certain levels of noise, dust and disturbance. The Developer will follow prudent construction practices in carrying out its work, but shall have no liability for any claims relating to noise, dust, disturbance, inconvenience or other disruptions during constructions. The Developer's construction guidelines will restrict the Developer's construction working hours to 7:00 a.m. to 5.30 p.m. weekdays, 8.00 a.m. to 4:00 p.m. Saturdays and Sundays.

# ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

## EXHIBITS

### LIST OF EXHIBITS TO THE INFORMATION STATEMENT

- A. Preliminary Site Plan, Unit locations and Floor Plans Andmar 1 and Andmar 2;
- B. Head Lease;
- C. Sublease;
- D. Equitable Charge;;
- E. Proportionate Share Schedule;
- F. Interest on Destruction Schedule (to be provided at a later date when the Residential Units in Phase 1 have been marketed)
- G. New Home Warranty;
- H. Purchase Contracts for Phase 1 and Phase 2;
- I. Tzeachten First Nation Tax Policy;
- J. Estimated Operating Budget
- K. Estimated - Monthly Costs;
- L. Bylaws of AHC;
- M. Control Relinquishing Agreement.

# **ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1**

EXHIBIT "A"

Preliminary Site Plan, Unit locations and Floor Plan

-see attached-

# ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

EXHIBIT "B"

Head Lease

-see attached-

# ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

EXHIBIT "C"

Sublease

-see attached-

# ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

EXHIBIT "D"

Equitable Charge Agreement

-see attached-

# ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

EXHIBIT "E"

Proportionate Share Schedule

-see attached-

# ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

EXHIBIT "F"

Interest on Destruction Schedule

-see attached-

# ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

EXHIBIT "G"

New Home Warranty

-see attached-

# ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

EXHIBIT "H"

Purchase Contract

-see attached-

# ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

EXHIBIT "1"

Tzeachten First Nation Tax Policy

-see attached-

# ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

EXHIBIT "J"

Estimated Operating Budget

-see attached-

# ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

EXHIBIT "K"

Estimated Monthly Cost

-see attached-

# ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

EXHIBIT "L"

Bylaws of Andmar Homeowners' Corp.

-see attached-

# ANDMAR DEVELOPMENT INFORMATION STATEMENT PHASE 1

EXHIBIT "M"

Control Relinquishing Agreement

-see attached-

# **Andmar**

## Exhibit A

Site plan, floor plates, floor plans

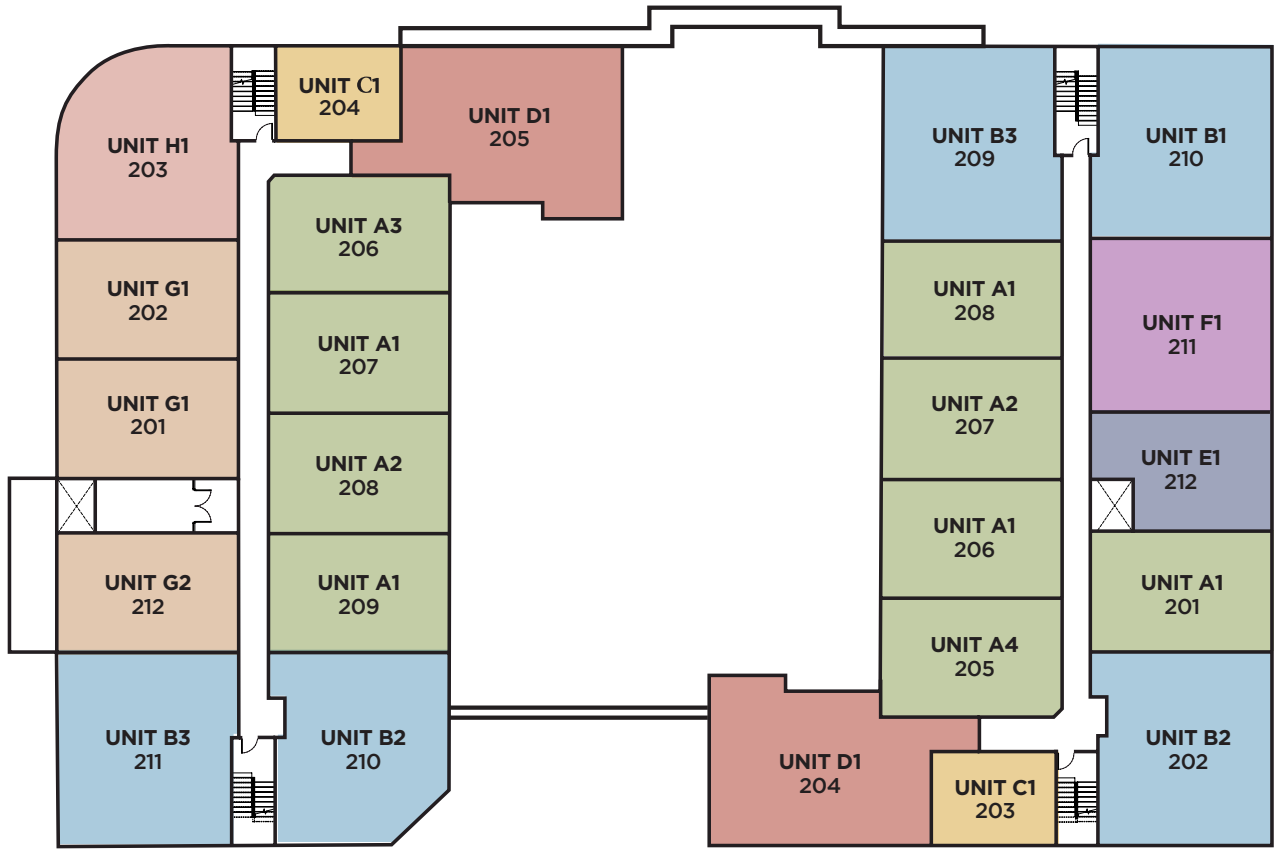
# SITE PLAN

## PHASE 1



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## LEVEL 2 PHASE 1



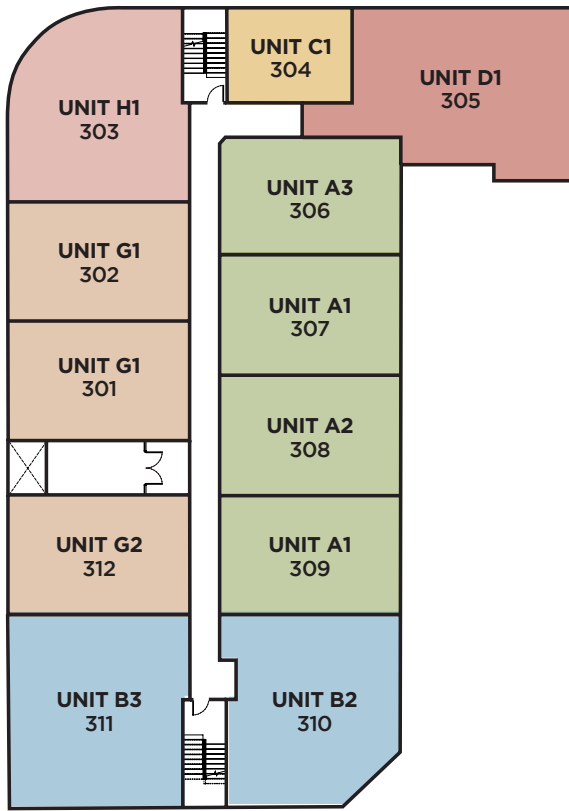
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NORTH

ANDMAR 2  
SOUTH

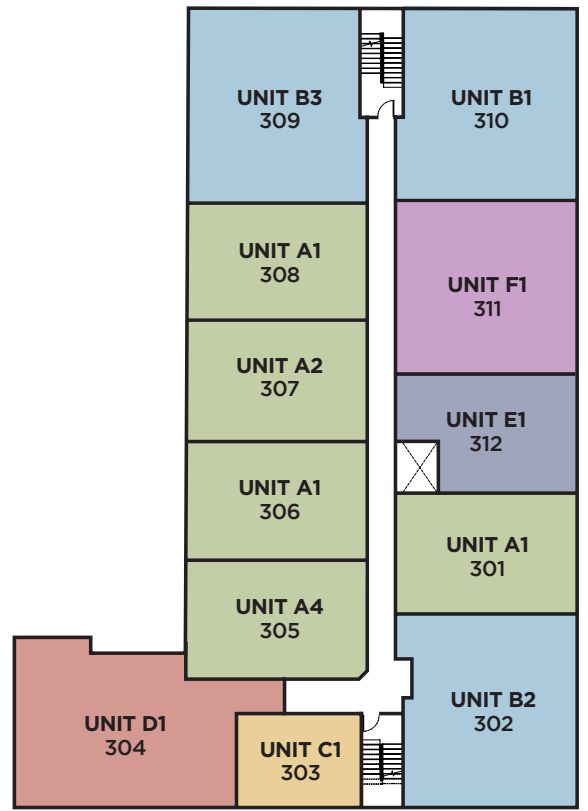


# LEVEL 3

## PHASE 1



ANDMAR 1  
NORTH

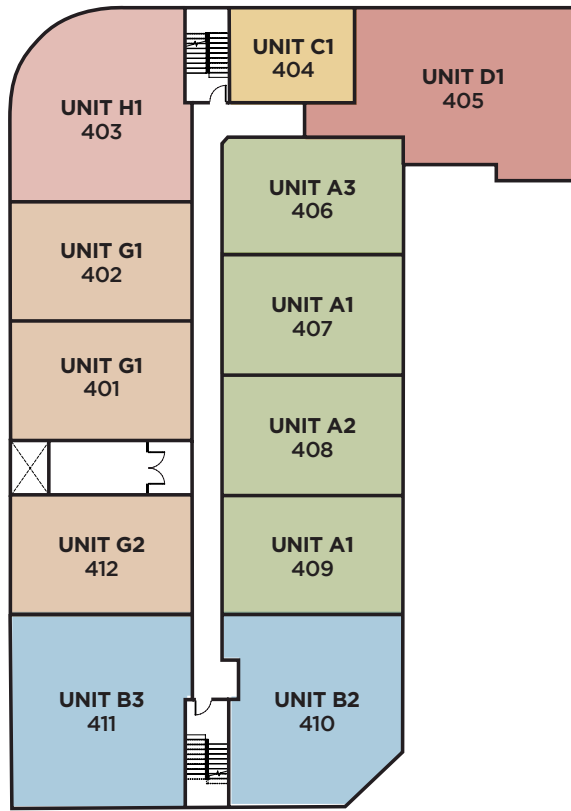


ANDMAR 2  
SOUTH

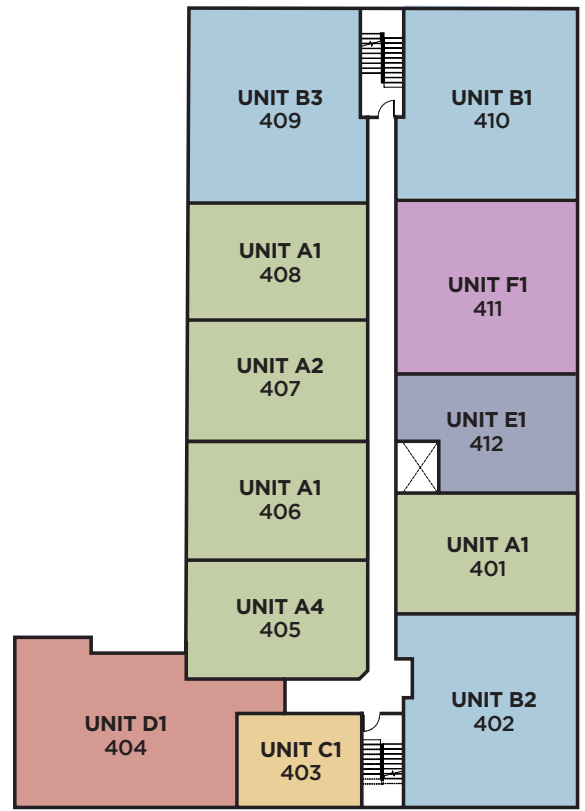


# LEVEL 4

## PHASE 1



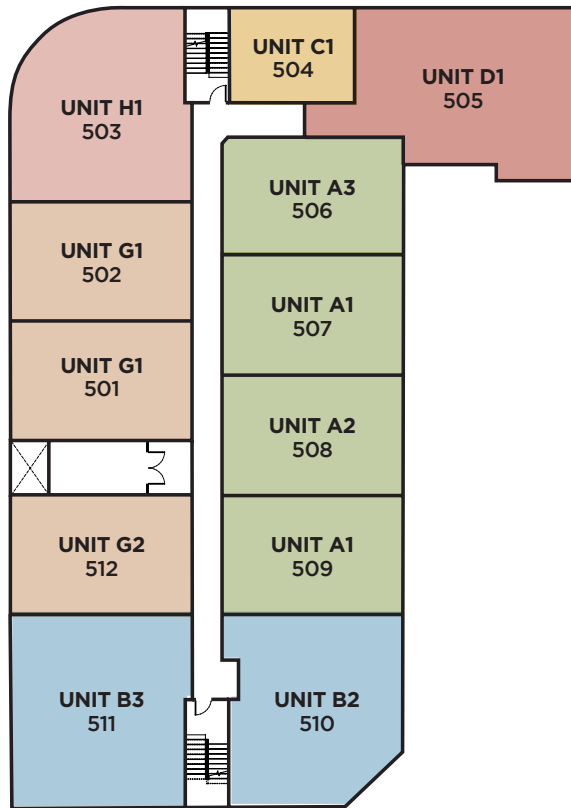
ANDMAR 1  
NORTH



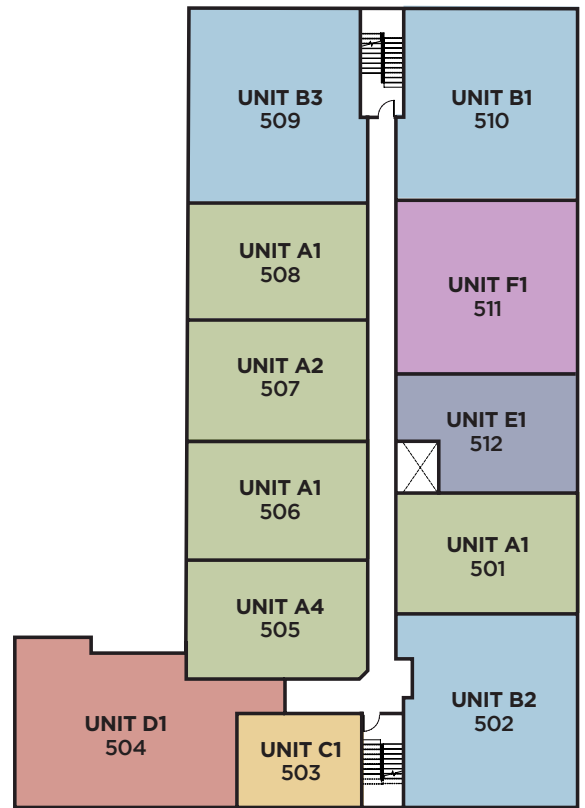
ANDMAR 2  
SOUTH



## LEVEL 5 PHASE 1

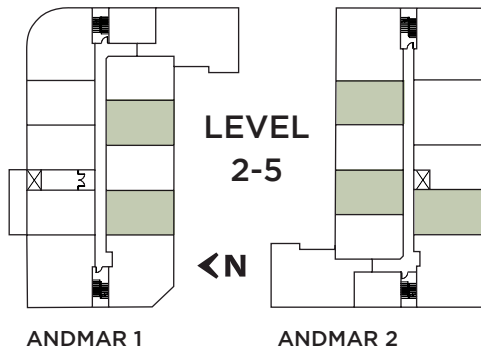


ANDMAR 1  
NORTH

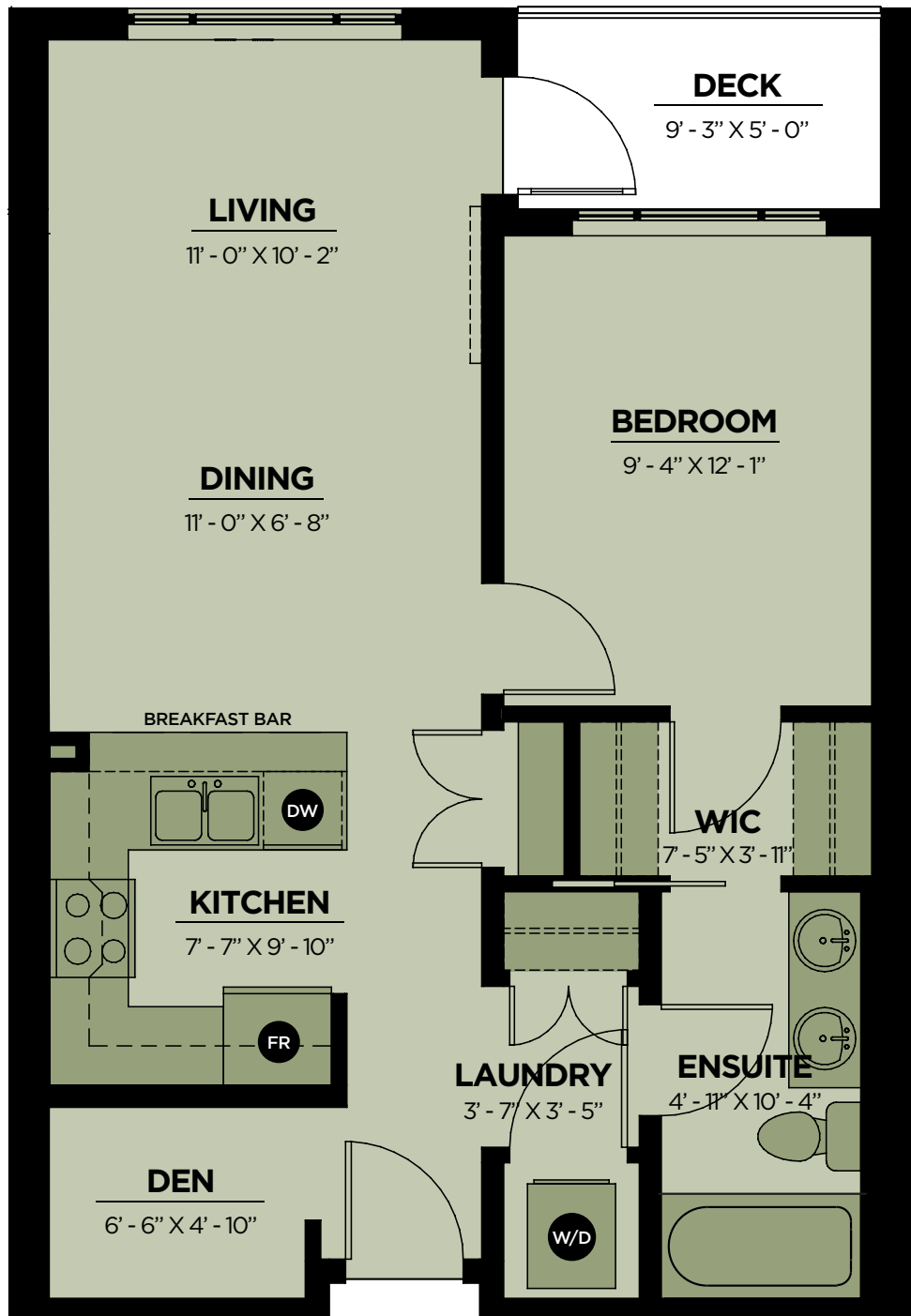


ANDMAR 2  
SOUTH





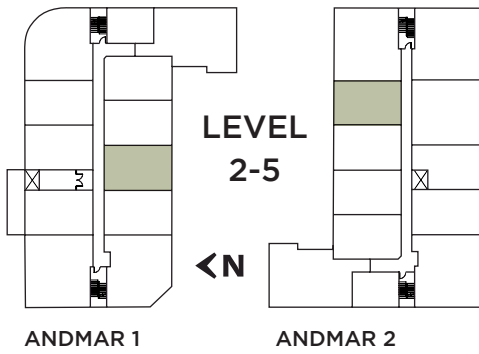
ONE BEDROOM + DEN, ONE BATH  
681 SQ. FT.



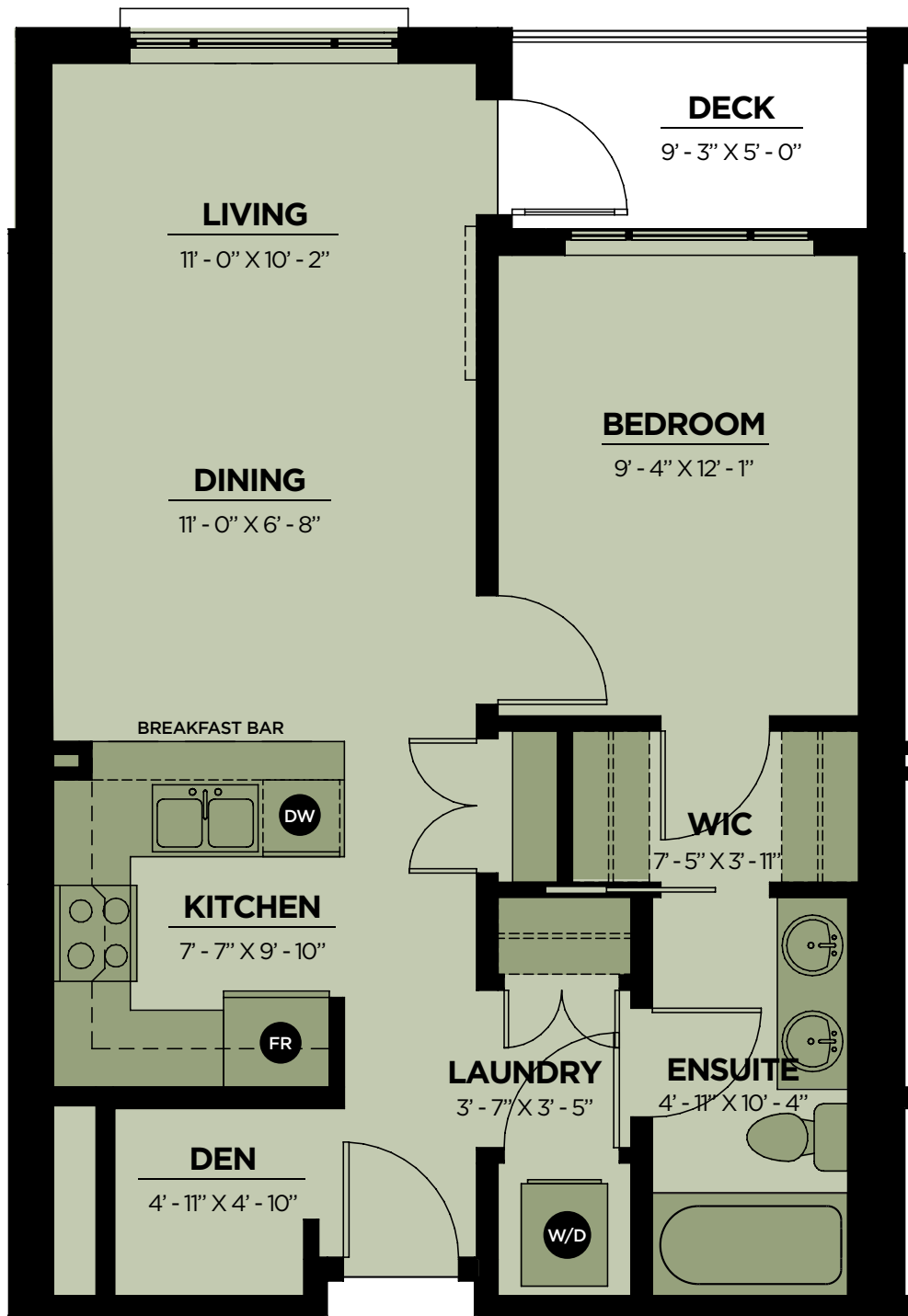
SUSTAINABLE, INNOVATIVE, CONNECTED

# ANDMAR

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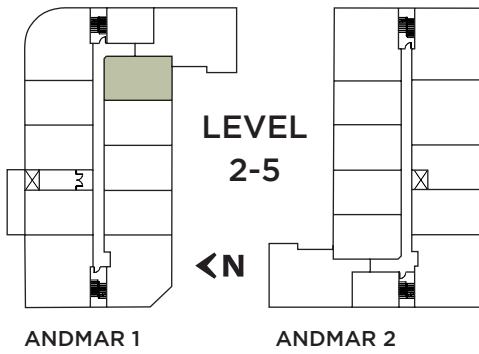
ONE BEDROOM + DEN, ONE BATH  
670 SQ. FT.



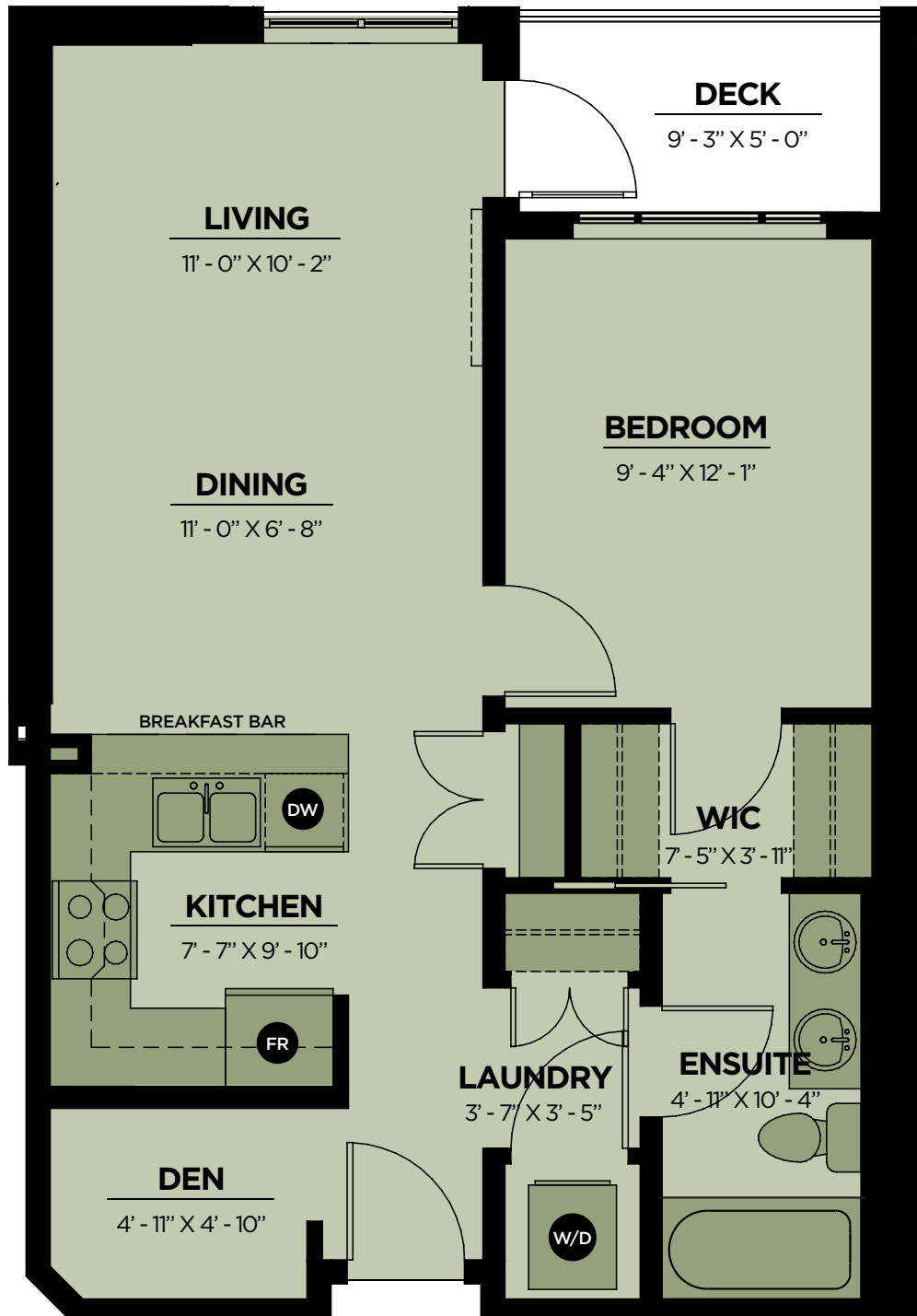
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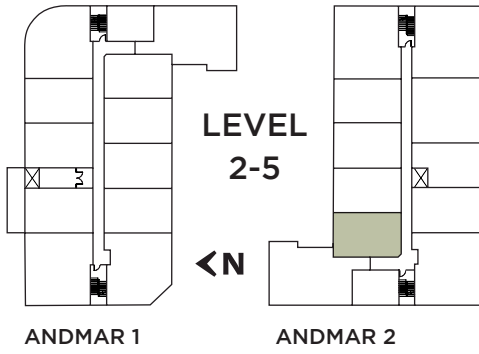
ONE BEDROOM + DEN, ONE BATH  
680 SQ. FT.



SUSTAINABLE, INNOVATIVE, CONNECTED

ANDMAR

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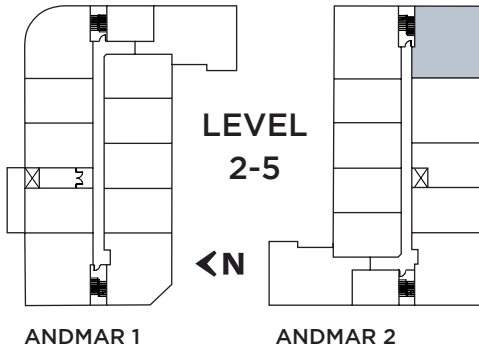
ONE BEDROOM + DEN, ONE BATH  
664 SQ. FT.



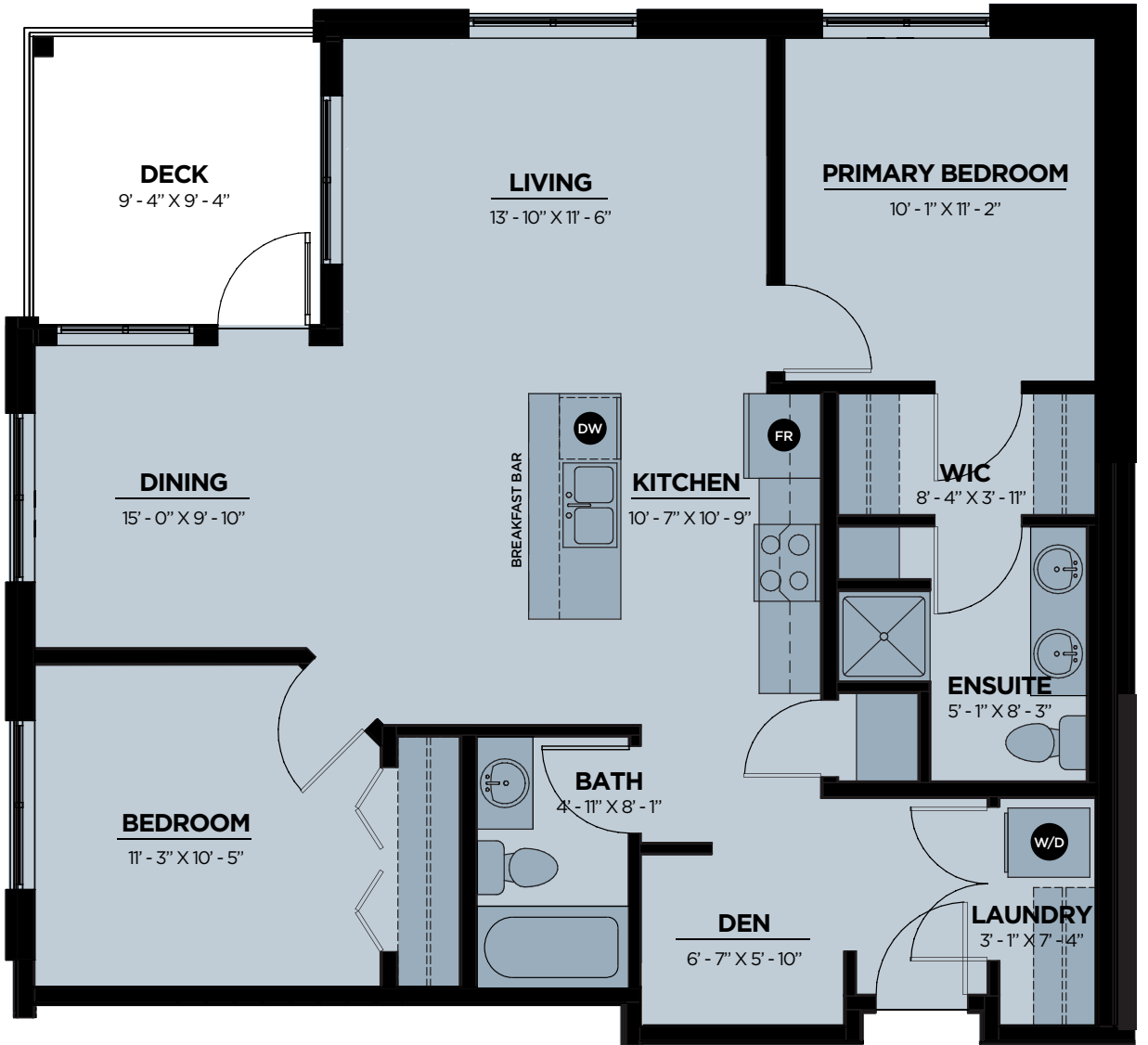
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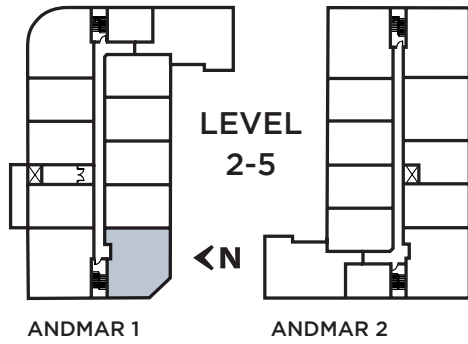
TWO BEDROOM + DEN, TWO BATH  
1052 SQ. FT.



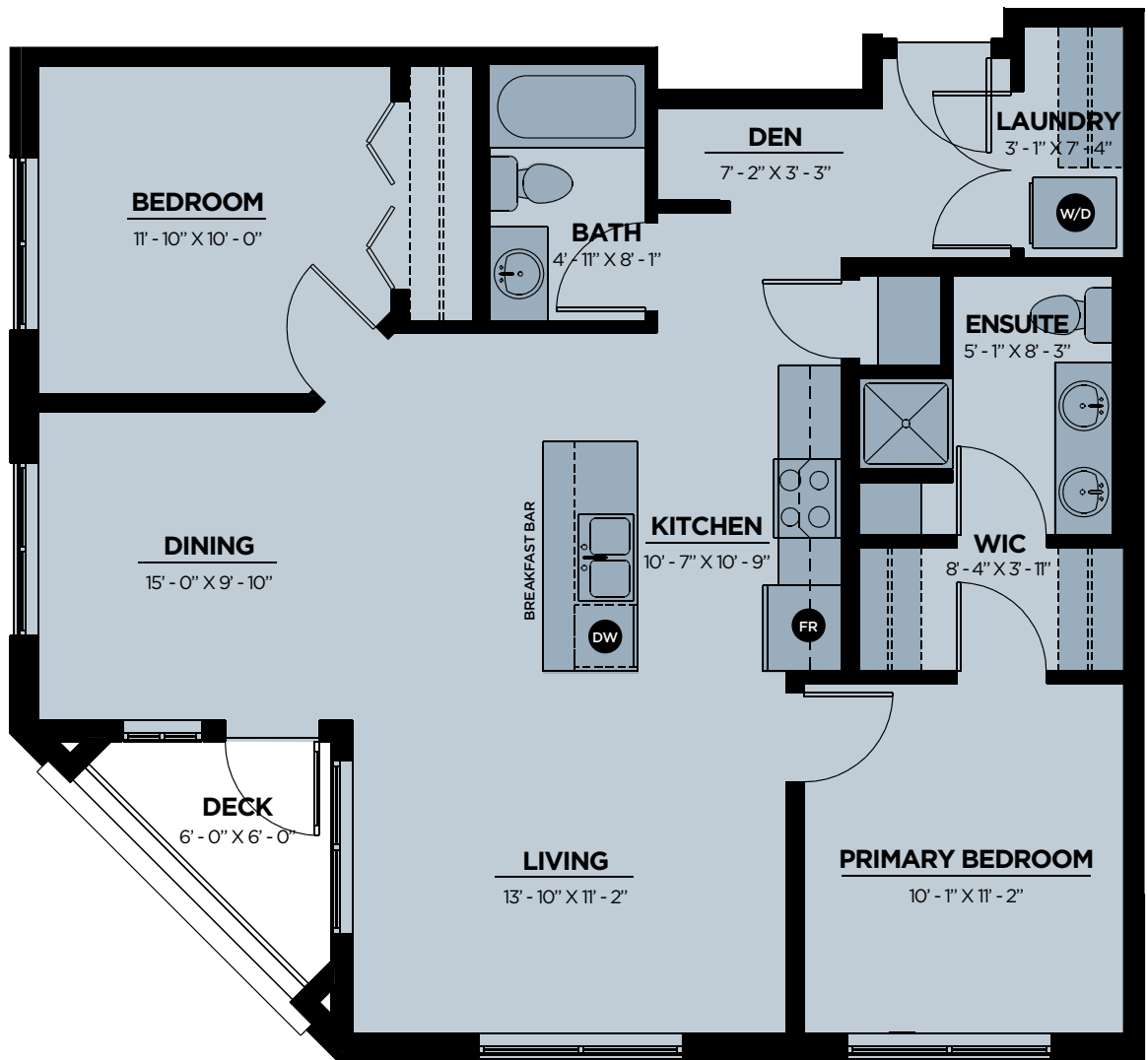
SUSTAINABLE, INNOVATIVE, CONNECTED

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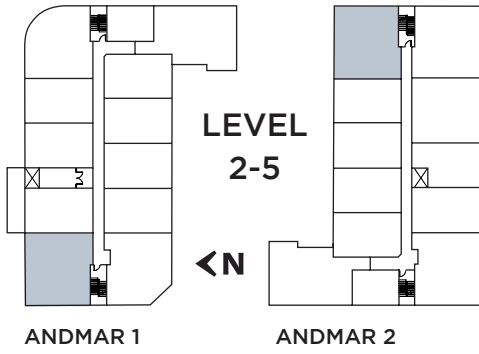
## TWO BEDROOM + DEN, TWO BATH 1029 SQ. FT.



SUSTAINABLE, INNOVATIVE, CONNECTED

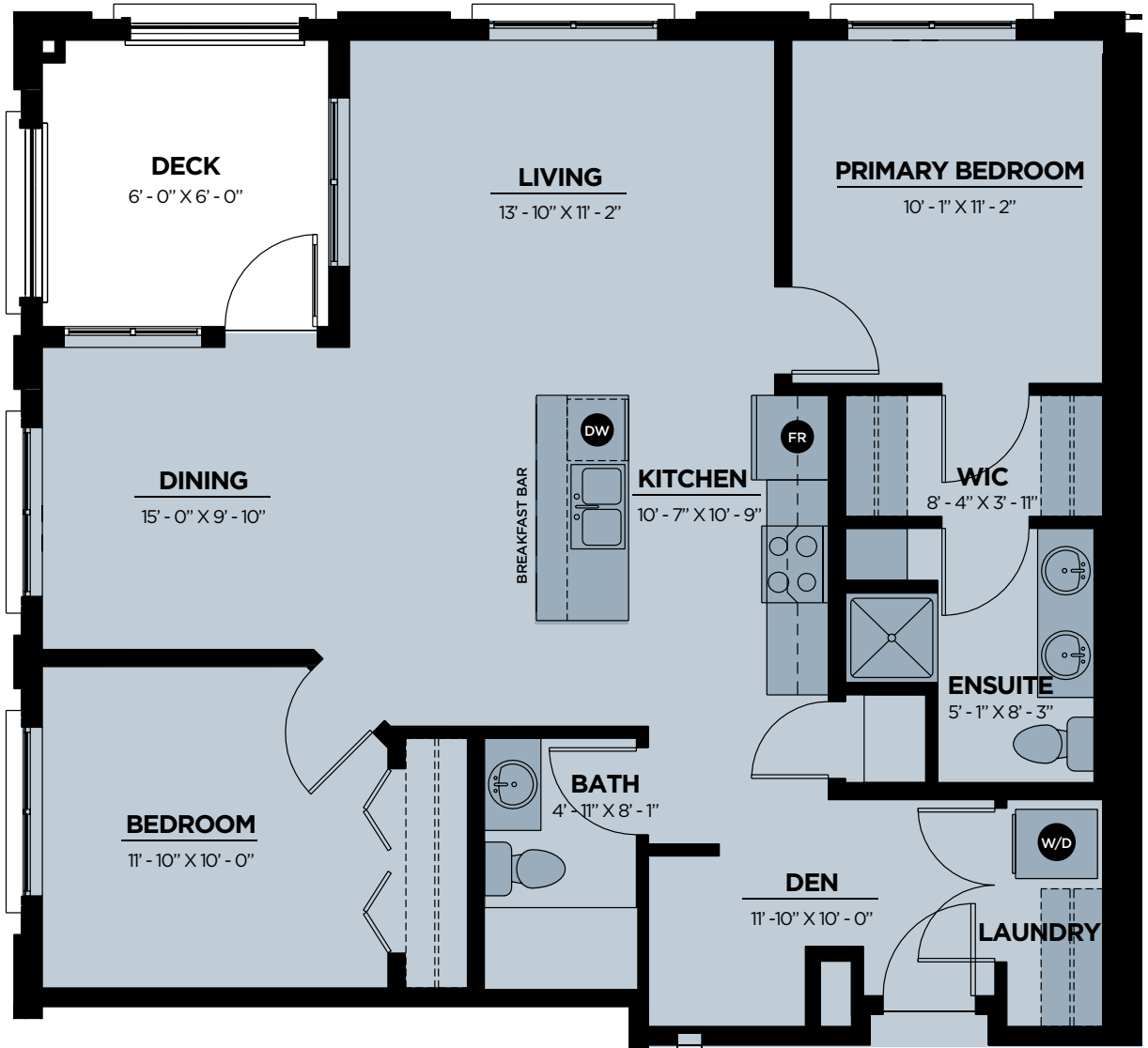
# ANDMAR

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TWO BEDROOM + DEN, TWO BATH  
1052 SQ. FT.

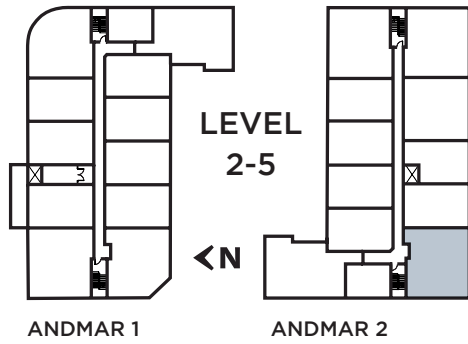
SOLARIUM ON  
ANDMAR 1 NORTH



SUSTAINABLE, INNOVATIVE, CONNECTED

ANDMAR

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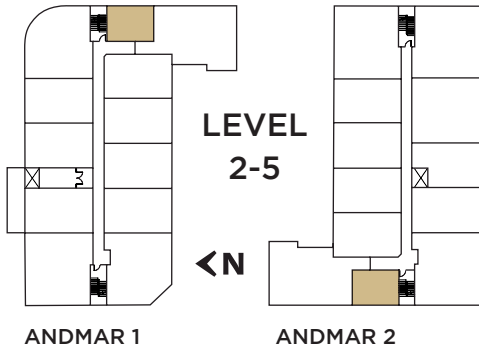
**TWO BEDROOM + DEN, TWO BATH**  
**1029 SQ. FT.**



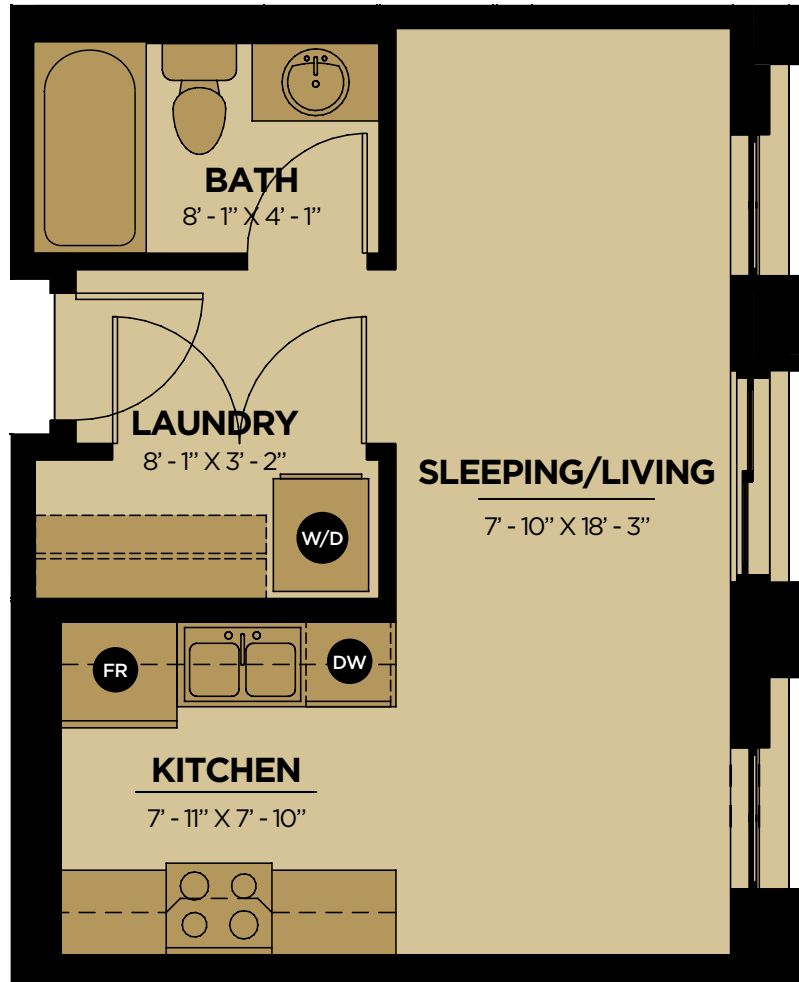
SUSTAINABLE, INNOVATIVE, CONNECTED

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**STUDIO**  
**390 SQ. FT.**

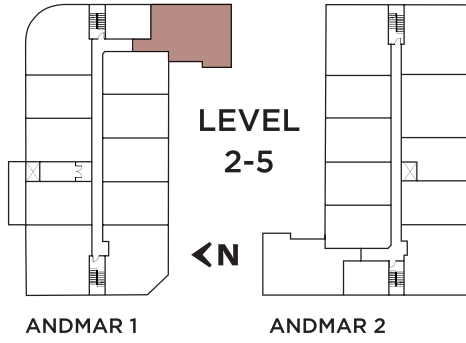


SUSTAINABLE, INNOVATIVE, CONNECTED

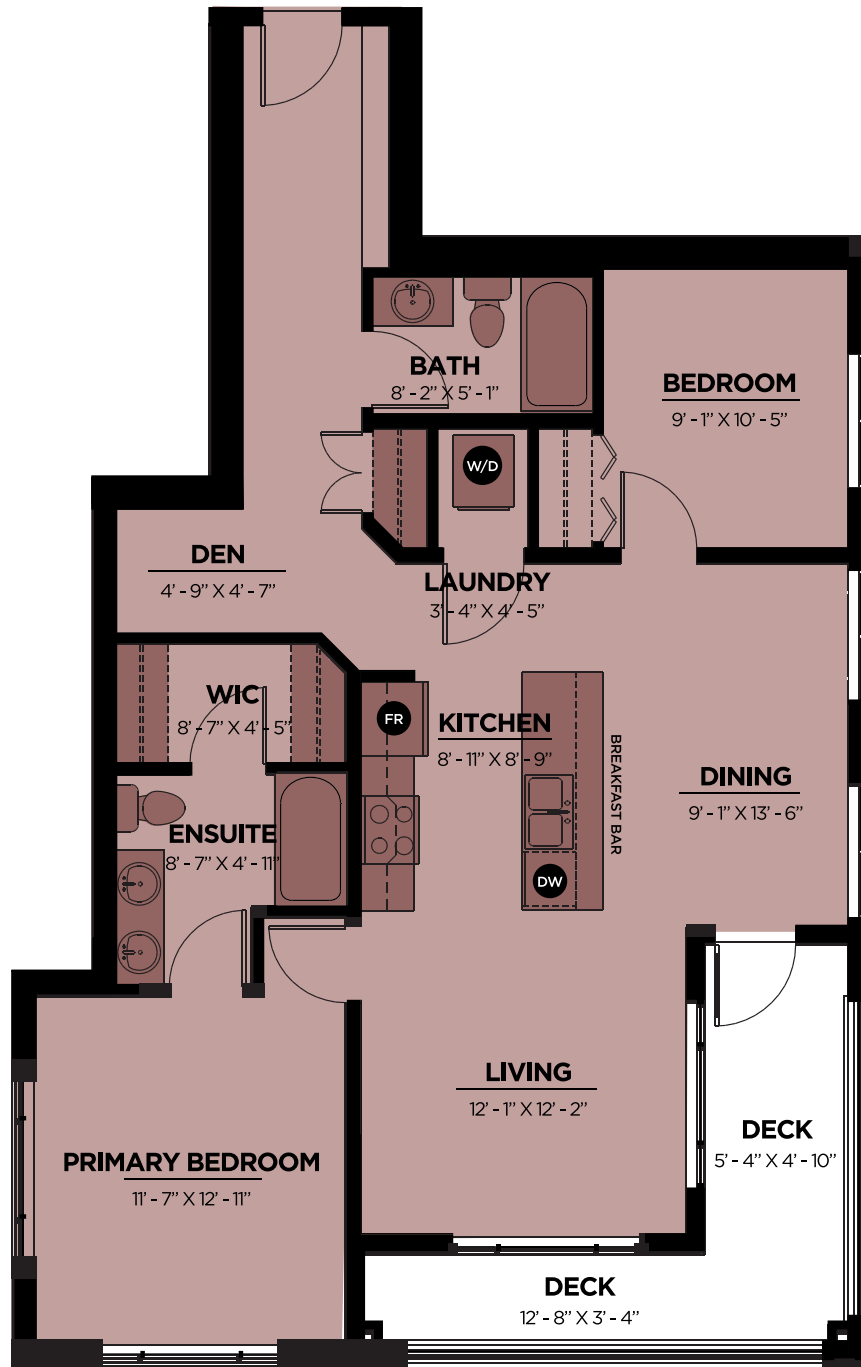
ANDMAR

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# D1



TWO BEDROOM + DEN, TWO BATH  
1084 SQ. FT.



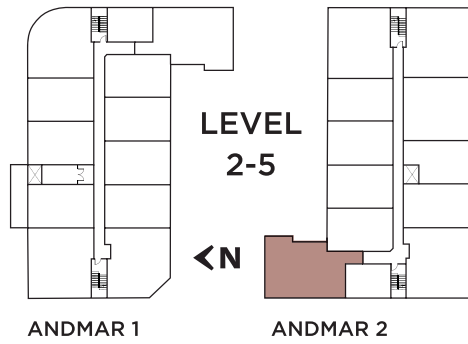
## SOLARIUM

SUSTAINABLE, INNOVATIVE, CONNECTED

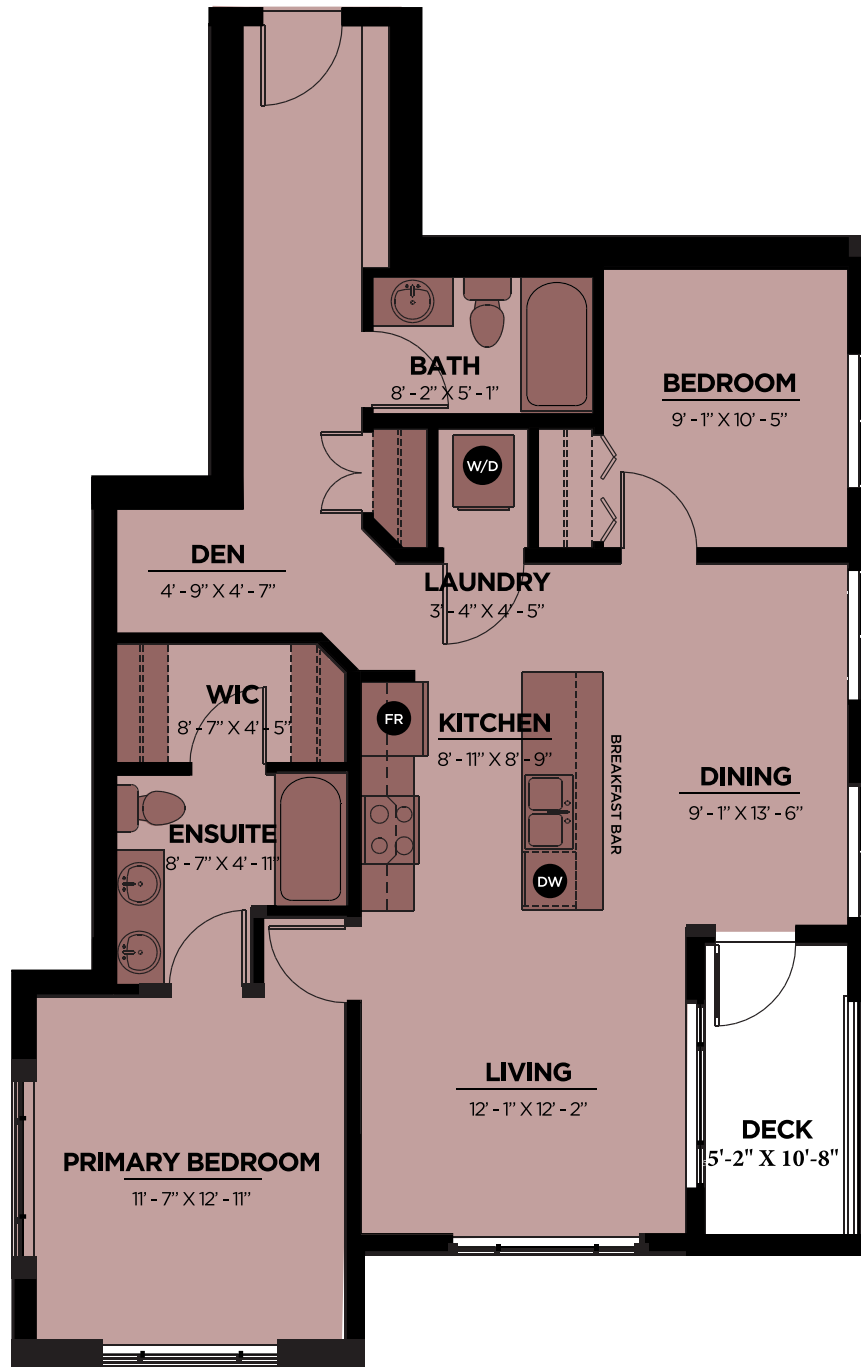
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# D2



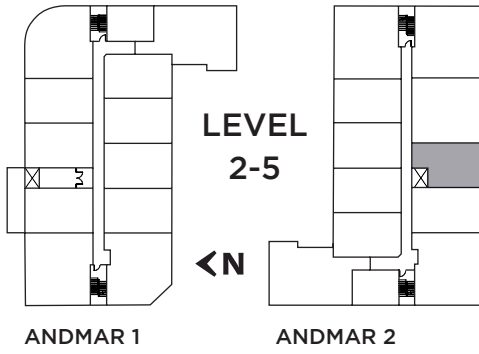
**TWO BEDROOM + DEN, TWO BATH**  
**1084 SQ. FT.**



SUSTAINABLE, INNOVATIVE, CONNECTED

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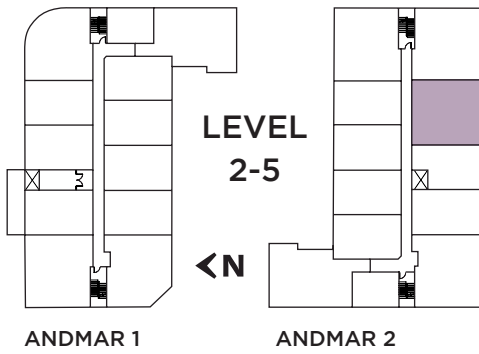
ONE BEDROOM, ONE BATH  
582 SQ. FT.



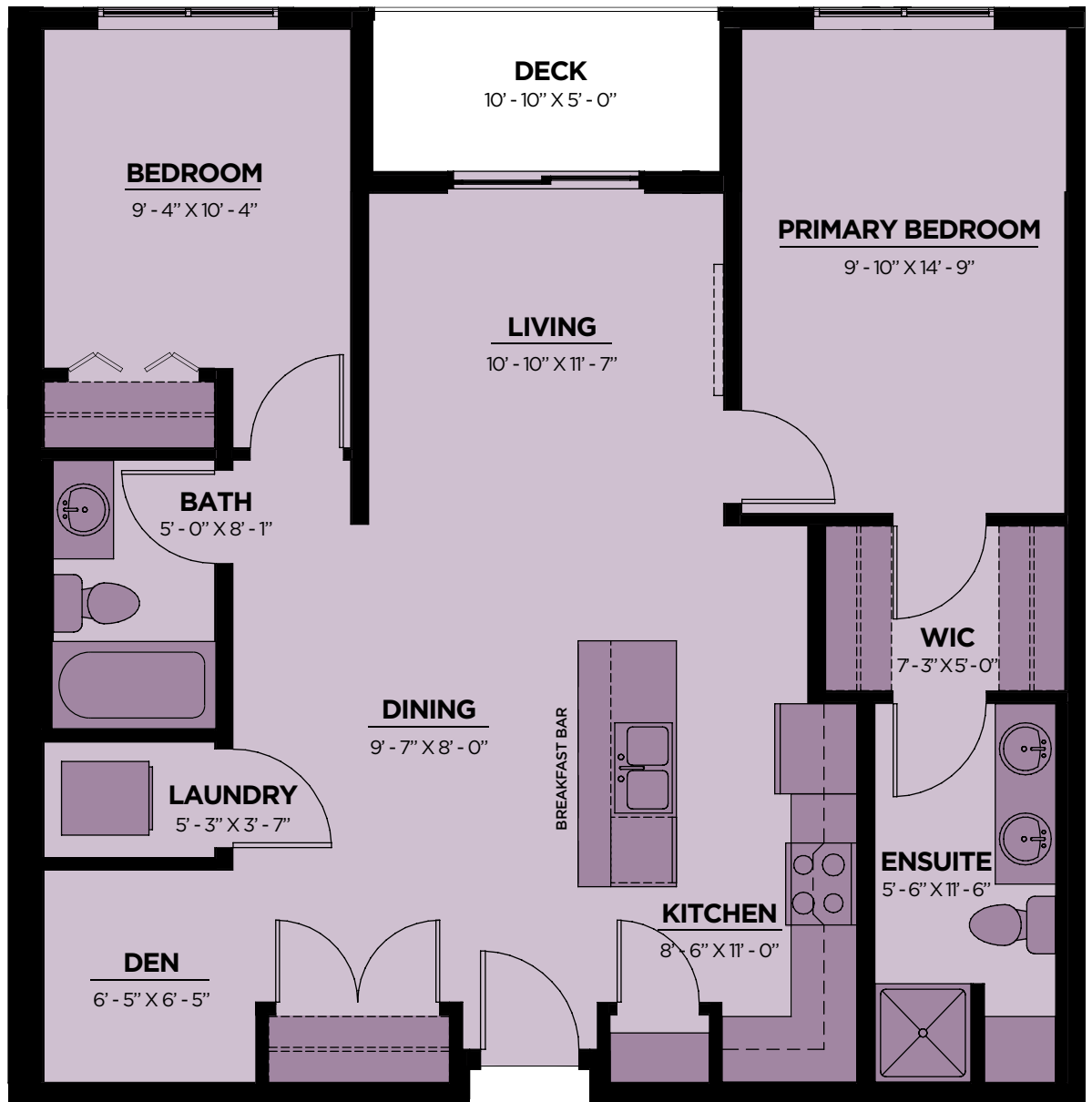
SUSTAINABLE, INNOVATIVE, CONNECTED

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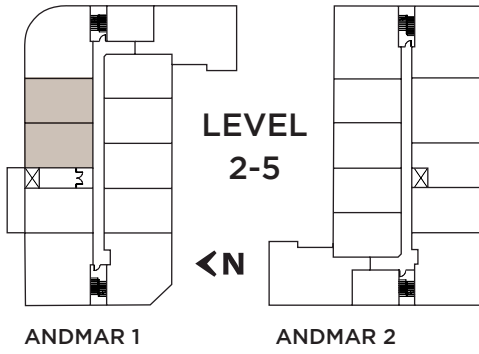
**TWO BEDROOM + DEN, TWO BATH  
1014 SQ. FT.**



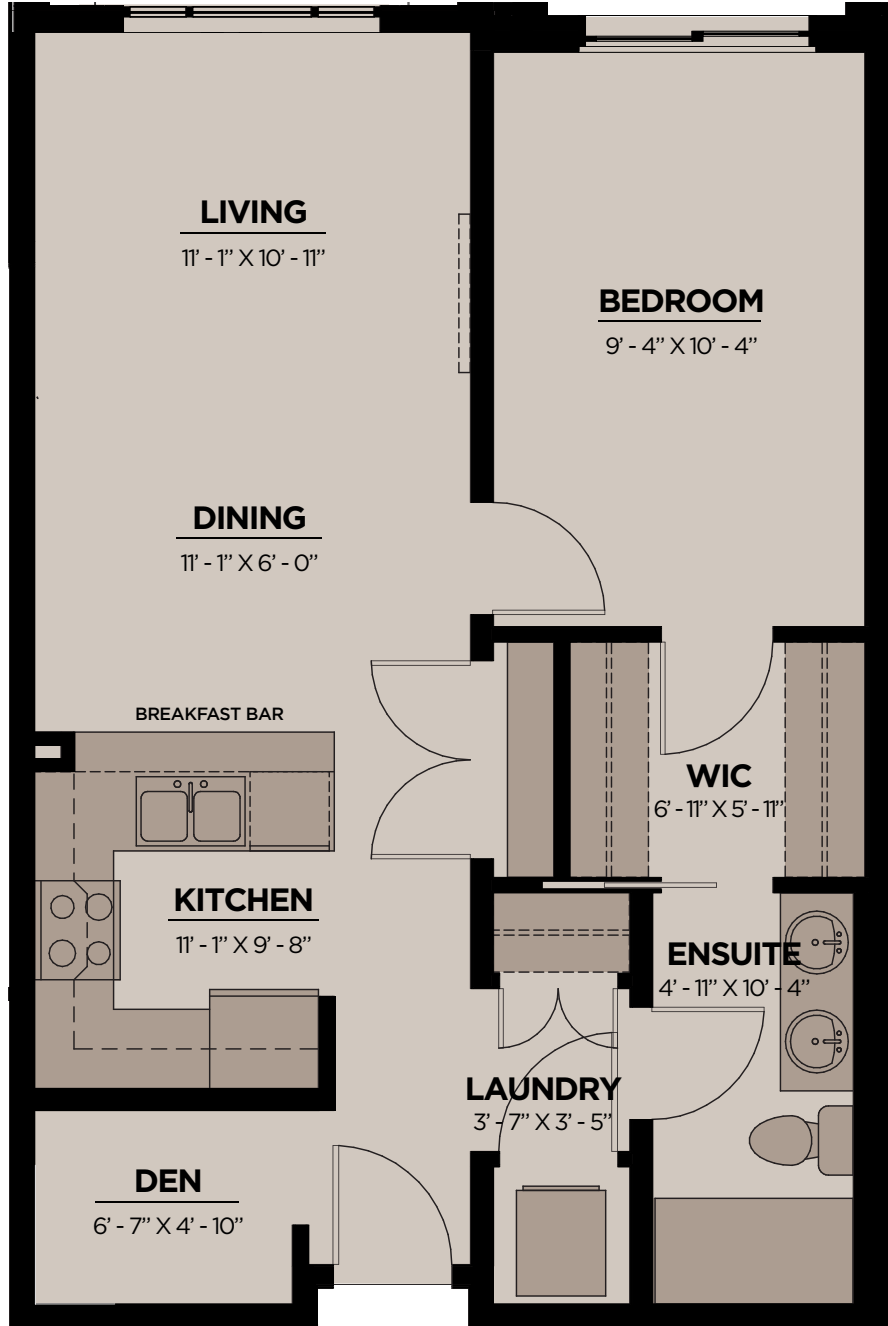
SUSTAINABLE, INNOVATIVE, CONNECTED

ANDMAR

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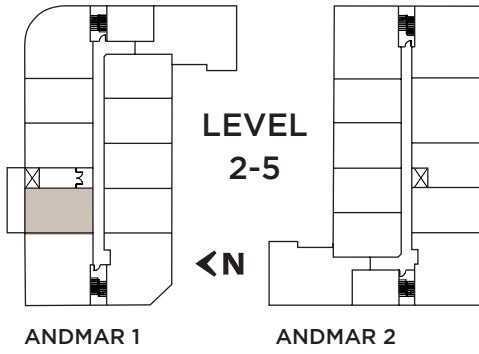
ONE BEDROOM + DEN, ONE BATH  
731 SQ. FT.



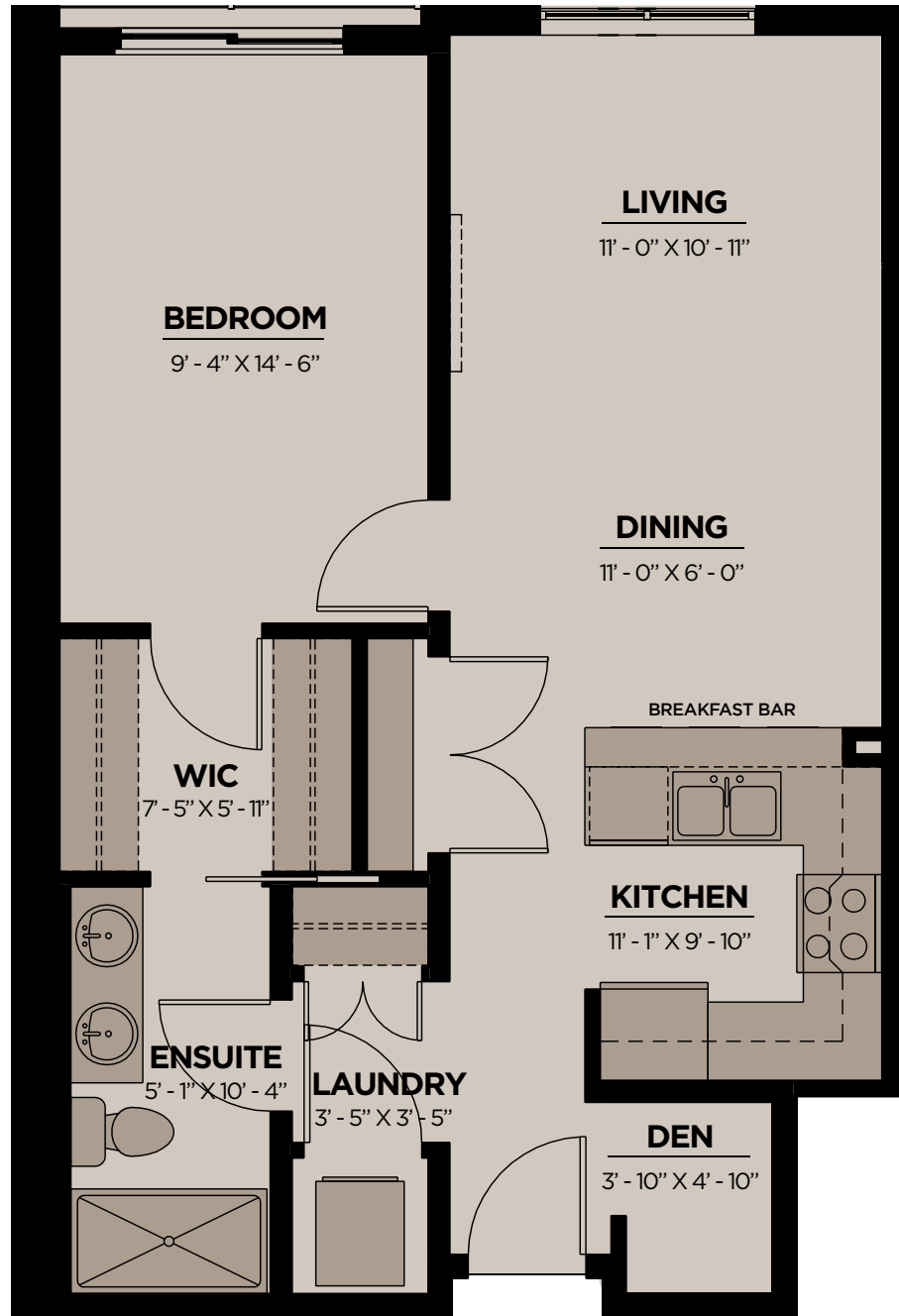
SUSTAINABLE, INNOVATIVE, CONNECTED

# ANDMAR

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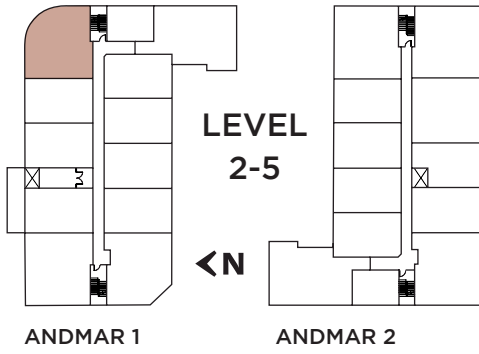
ONE BEDROOM + DEN, ONE BATH  
704 SQ. FT.



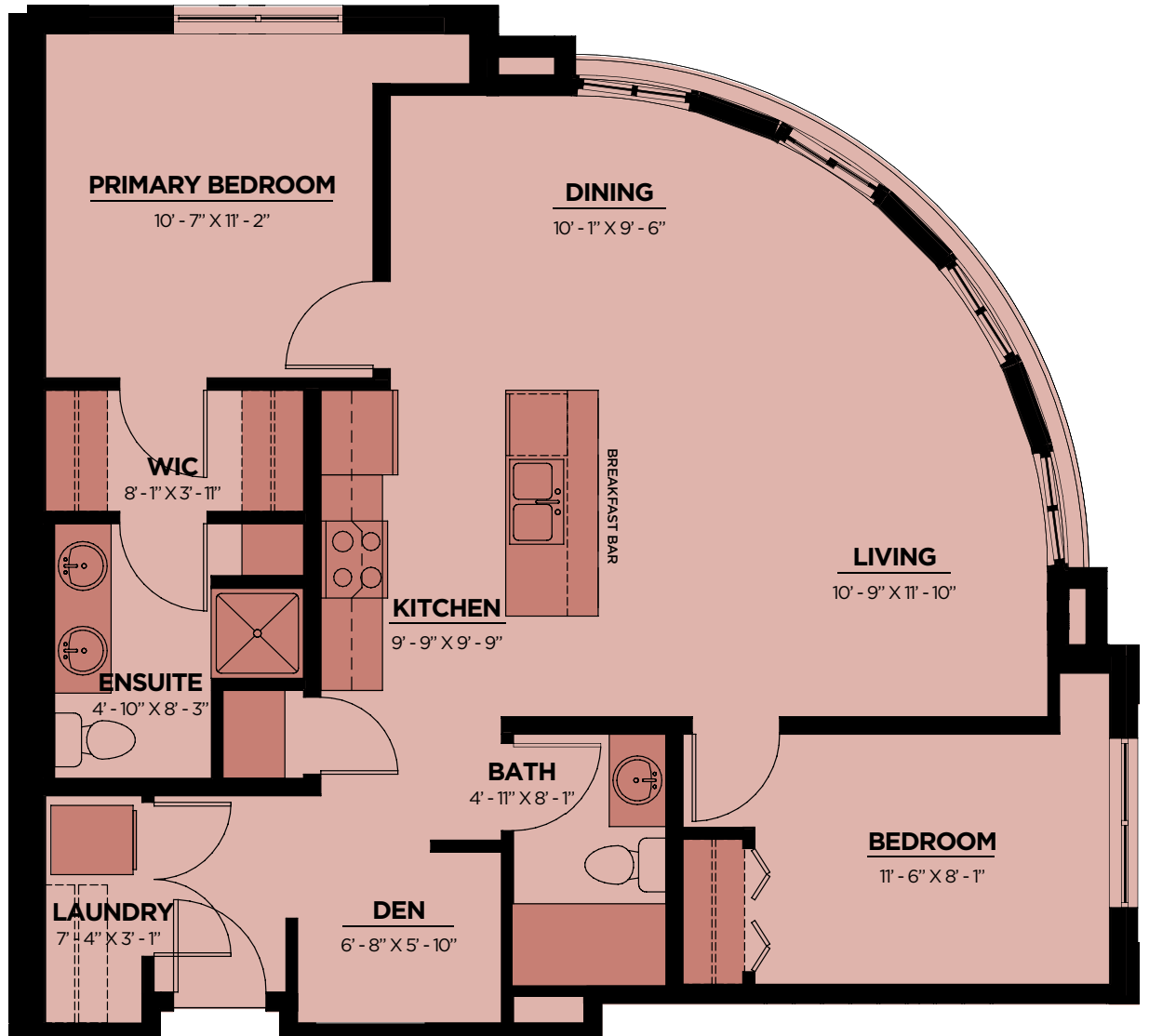
SUSTAINABLE, INNOVATIVE, CONNECTED

# ANDMAR

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**TWO BEDROOM + DEN, TWO BATH**  
**1023 SQ. FT.**



SUSTAINABLE, INNOVATIVE, CONNECTED

ANDMAR

In a continuing effort to meet the challenge of product improvements, the developer reserves the right to modify or change plans, specifications, and features without notice. Illustrations and renderings reflect the artist's interpretation of the project. When built, actual suites, amenities, building interiors, exteriors and views may be noticeably different than what is depicted. This is not an offering for sale. Any such offerings can only be made with the applicable disclosure statement and agreement of purchase and sale. E&OE.

**Andmar**

Exhibit B

Head Lease



Tzeachten First Nation

Tzeachten (TZFN) Lands Register  
Form No. TZFN-02-B (Non-Member)  
(FORM AS OF July 1, 2010)

FOR OFFICE USE ONLY:

APPROVED AS TO THE FORM BY THE  
REGISTRAR OF LANDS PURSUANT TO  
THE TZEACHTEN FIRST NATION  
LAND CODE

Signature

Date

GENERAL INSTRUMENT – PART 1

1. APPLICATION		
Date May 29, 2019	Name of Person Holding Interest to be Registered or Transferred 1172852 B.C. Ltd. c/o Goluboff & Mazzei	
Address 201-585 16th St, West Vancouver, BC, V7V 3R8	Phone No. 604-925-6900	
Email Address leighanne@goluboffmazzei.com	MUST BE SIGNED BY Applicant, Applicants Solicitor or Agent or this will not be registered <i>[Signature]</i>	
2. PARCEL IDENTIFIER		
PIN 903025586	Lot No. 381	
Plan No. CLSR 107517	Reserve Name & No. Tzeachten No. 13	
3. NATURE OF INTEREST		
Description (Type of Interest & Registration No.) Lease	Document Reference (page & paragraph) Entire Document	
Person Entitled to Interest/Legal Interest-Holder 1172852 B.C. Ltd.	Other Interest-Holders	
4. TERMS		
Part 2 of this instrument consists of (select one only)		
<input type="checkbox"/> Agreement for Sale	<input type="checkbox"/> Discharge of Mortgage	<input type="checkbox"/> Permit
<input type="checkbox"/> Assignment of Lease	<input type="checkbox"/> Easement	<input type="checkbox"/> Release
<input type="checkbox"/> Assignment of Mortgage	<input checked="" type="checkbox"/> Lease	<input type="checkbox"/> Sublease
<input type="checkbox"/> Assignment of Sublease	<input type="checkbox"/> License	<input type="checkbox"/> Other: _____
<input type="checkbox"/> RUSH REGISTRATION FEE INCLUDED		
Part 2 includes any additional or modified terms referred to in Item 7 or in a schedule attached to this instrument. If discharge of mortgage or release is selected, the interest described in Item 3 is released or discharged from the land described in Item 2.		
5. TRANSFEROR(S)		
Name TZEACHTEN FIRST NATION	Address 45855 Promontory Rd, Chilliwack, BC, V2R 0H3	
Name	Address	
6. TRANSFEREE(S)		
Name 1172852 B.C. LTD.	Occupation	
Address 201-585 16th St., West Vancouver, BC, V7V 3R8	Contact No. 604-925-6900	
Name	Occupation	
Address	Contact No.	
7. DURATION		
Term 109 years	Effective June 1, 2019	Expiry May 31, 2128
8. ADDITIONAL OR MODIFIED TERMS		

**9. DECLARATION**

By my signature below, I hereby declare, and acknowledge that any error or misrepresentation in this application or the information I provide could result in voiding this application for registration as well as resulting in other legal consequences. I further declare that:

- a) The information contained in this application form is correct;
- b) I have identified all people with a legal interest in the Land described in Section 3 above (Other Interest Holders);
- c) I am not aware of any legal interest holder identified in section 3 above who opposes this registration;
- d) I have been advised to seek independent legal advice;
- e) I acknowledge that under section 9.24 of the Tzeachten Land Code, the Tzeachten Lands Office bears no responsibility for determining whether legal interests submitted for registration are good standing or the terms have been complied with, and
- f) I agree to comply with the Tzeachten Land Code and am not aware of any conflict between the proposed registered interest and any provision of the Tzeachten Land Code or related Tzeachten Laws.

**10. SIGNATURE**

This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the instrument described in Item 4.

<p>Witness Signature(s)</p> <p><b>BRUCE W. DAVIES</b>  <small>(Signature of Witness verifying signature of Party(ies))</small>  <b>Barrister &amp; Solicitor</b></p> <p><b>WATERSTONE LAW GROUP LLP</b>  <small>(Write Name and Address of Witness)</small>      201-45793 Luckakuck Way      Chilliwack, BC V2R 5S3      (804) 824-7777</p>	<p>SIGNING DATE</p> <p>Year      Month      Day</p> <p>19          5          30</p>	<p>Party(ies) Signature(s)</p> <p><b>TZEACHTEN FIRST NATION, by its Chief</b>  <small>(Party Signature)</small></p> <p><b>LOREN MUTH COUNCILLOR</b>  <small>Print Name:</small></p> <p>1172852 B.C. LTD., by its authorized signatory  <small>(Party Signature)</small></p> <p><b>Andrew MacDonald</b>  <small>Print Name:</small></p> <p><b>Mark Perry</b>  <small>Print Name:</small></p>
<p>Witness Signature(s)</p> <p><b>W. GERALD MAZZEI</b>  <small>(Signature of Witness verifying signature of Party(ies))</small>  <b>Barrister &amp; Solicitor</b>  <small>(Write Name and Address of Witness)</small>      #201-505 10th St.      West Vancouver, B.C. V7V 3R8      604-925-6902</p>	<p>SIGNING DATE</p> <p>Year      Month      Day</p> <p>2019      5          29</p>	

## LAND LEASE

THIS LEASE dated for reference the 1st day of June, 2019 is made

BETWEEN

TZEACHTEN FIRST NATION  
45855 Promontory Road  
Chilliwack, BC V2R OH3

(hereinafter called the "Lessor")

AND

1172852 B.C. LTD., a company incorporated in B.C. and having its registered office at Suite 201 – 585 16<sup>th</sup> Street, West Vancouver, B.C. V7V 3R8

(hereinafter called the "Lessee")

### RECITALS

- A. The Lands leased under this Lease are part of Tzeachten Indian Reserve No. 13.
- B. The Lessor is authorized to grant this Lease pursuant to the Tzeachten First Nation Land Code (the "Land Code") which sets out the principles, rules and administrative structures pursuant to which the First Nation will exercise authority and jurisdiction over the Tzeachten Lands and the Lessor has satisfied all legal requirements under the Land Code in order to grant the leasehold interest contemplated herein.

In consideration of the rents, covenants and agreements reserved and contained in this Lease, the Parties covenant and agree as follows:

#### 1. DEFINITIONS

- (a) "**Adjacent Lands**" means those lands immediately adjacent to the Lands, being legally described as:  
  
PID 030-565-324 that part of Section 7 Township 26 NWD shown as Parcel 2 on Plan EPP84644
- (b) "**Applicable Laws**" means, in respect of the Lands, the Land Code and any other applicable law, statute, by-law, ordinance, regulation or lawful requirement of the federal, provincial or municipal government or authority, the First Nation or First Nation Council or any public utility lawfully acting under statutory power.

- (c) **"Approved Mortgagees"** means all mortgagees of the leasehold interest herein granted or granted by a Sublessee and whose mortgages have been registered in the Registry and includes CMHC and **"Approved Mortgagee"** means any one thereof.
- (d) **"Artifact"** means any burial site, human remains, or any First Nation artifact or burial remain of archaeological or cultural interest.
- (e) **"Bank of Canada Review"** means the publication so titled that is published by the Bank of Canada on a monthly basis or any similar publication that is published by the Bank of Canada on at least a monthly basis as a replacement for the Bank of Canada Review and in which the per annum interest rate that is charged by Canadian chartered banks to their most creditworthy commercial borrowers from time to time are published.
- (f) **"CMHC"** means Canada Mortgage and Housing Corporation and its successor.
- (g) **"Environment"** means the air, land, water and all other external conditions or influences under which humans, animals and plants live or are developed.
- (h) **"First Nation"** means the Tzeachten First Nation or any successor to the First Nation pursuant to a federal statute.
- (i) **"First Nation Council"** means the governing body of the First Nation, elected in accordance with Applicable Laws.
- (j) **"Hazardous Substances"** means:
  - (i) explosives;
  - (ii) inflammable oils and materials; and
  - (iii) any substance which when discharged into the Environment is or is likely to injure, damage, or endanger land, water, property, animal or plant life or human health or safety.
- (k) **"Improvements"** means all buildings, structures, works, facilities, services, landscaping and other improvements by whomsoever made and which are at any time and from time to time situate on, under or above the Lands, including all equipment, machinery, apparatus and fixtures (other than trade fixtures) forming part of or attached to the improvements and all alterations, removal, additions to, replacements and substitutions of the "Improvements".
- (l) **"Lands"** means Lot 381, CLSR Plan 107517, Tzeachten No. 13.
- (m) **"Lease"** means this Indenture of Lease.
- (n) **"Lessor"** means Tzeachten First Nation, its successors and assigns.

- (o) **"Minerals"** means ore of metal and every natural substance that can be mined and that:
- (i) occurs in fragments or particles lying on or above or adjacent to the bedrock source from which it is derived, and commonly described as talus; or
  - (ii) is in the place or position in which it was originally formed or deposited, as distinguished from loose, fragmentary or broken rock or float which by decomposition or erosion of rock, is found in wash, loose earth, gravel or sand, and includes coal, petroleum and all other hydrocarbons; regardless of gravity and howsoever and wheresoever recovered, natural gas, building and construction stone, limestone, dolomite, marble, shale, clay, sand and gravel.
- (p) **"Nutrient"** means any substance or combination of substances defined as a nutrient under the *Canadian Environmental Protection Act* as amended or replaced from time to time.
- (q) **"Owner Association"** means a society or corporation incorporated by or on behalf of the Lessee pursuant to the laws of British Columbia, of which all of the members, or shareholders, as the case may be, may be comprised of the Lessee, nominees of the Lessee and all Sublessees and which is at all times controlled by the Lessee or the Sublessees.
- (r) **"Party"** means a party to this Lease and **"Parties"** means all of them.
- (s) **"Person"** includes any individual, partnership, association or corporation.
- (t) **"Premises"** means and includes the Lands and the Improvements and every reference in this Lease to the "Premises" includes a reference to every part of the Lands or the Premises, as the context may require.
- (u) **"Prime Rate"** means, for any particular calendar month the per annum interest rate that is charged by Canadian chartered banks to their most creditworthy commercial borrowers in effect upon the last Wednesday of the month as the rate is ascertained and published for the month in the Bank of Canada Review, or if more than one such rate is published for the last Wednesday of the month, the average of all such rates or if another day or other days are substituted for the last Wednesday of the month in the Bank of Canada Review, the rate or the average of all rates published for the day or days substituted for the last Wednesday of the month.
- (v) **"Registry"** means the First Nations Land Registry established by Canada and held in Ottawa, Ontario or successor registry for the Tzeachten Lands established in accordance with Applicable Laws.
- (w) **"Rent"** means the rent described in Article 5 hereof.
- (x) **"Reserve"** means Tzeachten Indian Reserve No. 13, which has been set apart for the use and benefit of the First Nation.

- (y) **"Residential Lands"** means that portion of the Lands developed for residential use, including internal roads.
- (z) **"Subleased Lands"** means that portion of the Lands included in a sublease granted pursuant to this Lease.
- (aa) **"Sublessee"** means any sublessee of the Lessee whose sublease is registered in the Registry.
- (bb) **"Term"** means the 109 year period commencing on the date this Lease is registered at the Registry.
- (cc) **"Toxic Substance"** means any substance defined as a toxic substance under the *Canadian Environmental Protection Act* as amended or replaced from time to time.
- (dd) **"Tzeachten Lands"** has the meaning ascribed to it in the Land Code.

## 2. THE DEMISE

- 2.1 The Lessor hereby leases to the Lessee the Lands, and except as otherwise provided herein, free and clear of all liens, charges and encumbrances, TO HAVE AND TO HOLD the Lands unto the Lessee for the Term, yielding and paying the Rent as hereinafter provided, and subject to the terms, conditions, provisos, exceptions and reservations contained in this Lease.
- 2.2 The Lessee acknowledges that this Lease is subject to Applicable Laws.

## 3. MINERALS

- 3.1 The granting of this Lease does not grant any interest in the Minerals or natural resources under the Lands.

## 4. USE OF LANDS

- 4.1 The Lands may be used for any lawful purpose in accordance with Applicable Laws. Be it always provided, and notwithstanding anything to the contrary herein or otherwise:
  - (a) The Lessee at the time of execution of this Lease intends to use the Lands for the development of one or more multi family residential complexes. The recently updated Tzeachten Community Plan shall not apply;
  - (b) The Lands are be zoned "Mixed Use" in accordance with the Tzeachten Zoning Law which zoning as it relates to the Lands cannot be changed without the consent of the Lessee;
  - (c) The Lessee shall be entitled to overall density of up to 75 residential units per acre averaged over the entirety of the Residential Lands. That is, some portions of the Residential Lands may have density of more than 75 residential units per acre, some less but the overall average density over the entirety of the Residential Lands will be up to 75 units per acre. The Lessee is aware that in order to achieve overall density of up to 75 residential units per acre of the Residential Lands, the Lessee's development may have to include some medium rise high density multi-family condominium style apartments..

4.2 Except as otherwise set out herein, the Lands are being leased on an "as is-where is" basis. The Lessee:

- (a) confirms that it has conducted such further inspections of the Lands that it deems prudent, including any inspections relating to:
  - (i) the condition of the Lands, including its soil;
  - (ii) the compliance of the Lands with any Applicable Laws; and
  - (iii) the presence of any Hazardous Substances or Toxic Substance on the Lands
- (b) has satisfied itself that the Lands are suitable for its intended uses.

4.3 The Lessee will immediately notify the Lessor and the First Nation Council of any Artifact unearthed or discovered on the Premises and will continue to use the Premises so as to avoid any further damage to the Artifact and ensuring its preservation to the greatest extent practicable.

## 5. RENT

5.1 The Lessee has paid of \$5,000,000.00 as rent for or in respect of the Lands for the entire Term, the receipt of which is hereby acknowledged.

5.2 The Lessor acknowledges the Rent has been paid in accordance with Section 5.1 and no other rent of any kind will be payable by the Lessee for the Lands during the Term.

5.3 The Lessee shall be required to pay any applicable GST on all payments of Rent.

## 6. ASSIGNMENT

6.1 The Lessee may assign this Lease or any portion thereof without the consent of the Lessor.

6.2 The Lessee will obtain from any proposed assignee a written agreement whereby the assignee covenants and agrees that it will observe and perform all of the covenants and agreements to be observed or performed by the Lessee under this Lease.

6.3 The assignment of this Lease by the Lessee will not relieve and discharge the Lessee from its obligations or liabilities under this Lease except to the extent such obligations are assumed in writing by the assignee.

6.4 In order to be valid, an assignment must be registered at the Registry and it must include the following provisions:

- (a) the assignee is bound by all terms of this Lease; and

- (b) in the event of conflict between the terms of this Lease and the assignment, the terms of this Lease will govern.

6.5 Provided that the Lessee at all times complies with all Applicable Laws in connection with any such subdivision the Lessee may subdivide the Lands or assign leasehold interests in portions of the Lands without the consent of the Lessor (in its capacity as lessor). The Lessor will, without payment of further rent or other consideration, promptly and without delay, sign such modifications of lease or replacement headleases as are required to facilitate the Lessee effecting any subdivision or making an assignment provided that the Lessee will reimburse the Lessor for any reasonable expenses, including legal fees, incurred by the Lessor in order for it to comply with its obligations hereunder.

## 7. SUBLETTING

7.1 The Lessee may sublet any part of the Premises without the consent of the Lessor.

7.2 Any sublease of the Premises will include the following provisions:

- (a) a sublease may be for any period up to one day before the expiration of the Term of this Lease, and not beyond;
- (b) a sublease will be expressly subject and subordinate to this Lease and to the rights of the Lessor hereunder; and
- (c) a sublease will oblige the Sublessee not to do anything in contravention of this Lease.

7.3 It is hereby provided the Sublessees may peaceably and quietly possess, hold and enjoy the Subleased Lands during the term of the Lease and their sublease without interruption or disturbance by the Lessor, or anyone claiming under it, despite any default by the Lessee of its obligations hereunder.

## 8. NO RIGHT TO TERMINATE BY LESSOR

8.1 All Rent for the Term has been paid. The Lessor acknowledges and agrees that this Lease cannot be terminated or cancelled prior to the end of the Term for any reason whatsoever without the written consent of the Lessee, Approved Mortgagee and all Sublessees, which consent may be arbitrarily withheld.

8.2 The Lessor hereby covenants and agrees with the intention that the rights of the Approved Mortgagee and Sublessee's shall be fully enforceable notwithstanding that they are not privy to the terms of the Lease and the Lessor shall not do anything or make any argument to prevent or obstruct whether directly or indirectly any Approved Mortgagee or Sublessee in taking the benefit of and enforcing the provisions of the Lease expressed to be for their benefit based upon the fact that such Approved Mortgagee or Sublessee is not privy to the terms of the Lease.

**9. MORTGAGE**

- 9.1 The Lessee may mortgage the whole or any part of its interest in this Lease by any means without the consent of the Lessor. The Lessor confirms that any Approved Mortgagee may enforce its security to the fullest extent and acquire the leasehold estate in any lawful way and, by its representative or a receiver, as the case may be, take possession of and manage the Lands and sell or assign or sublet the Premises without notice to the Lessor and without the necessity of obtaining any consent from the Lessor or the Lessee. If the Approved Mortgagee takes possession (including the appointment of a receiver or receiver manager) of the Lands or any portion thereof, or acquires the Lessee's equity of redemption then the Approved Mortgagee will perform and observe all the Lessee's covenants and agreements under the Lease and recognize the rights of Sublessees and the Owner Association, if any, to enjoy the use of any common facilities, until either the Approved Mortgagee ceases to be a mortgagee in possession, the receiver or receiver manager ceases to be in possession of the Lease or the Lease is assigned in accordance with the terms of this Lease. Notwithstanding anything to the contrary herein, the Approved Mortgagee shall be relieved of all obligations or liabilities under the Lease upon such assignment.
- 9.2 The Lessor shall consent to such reasonable modifications of this Lease as may be necessary to satisfy the CMHC's leasehold lending requirements from time to time, provided such modifications do not extend the Term and provided that the Lessee will reimburse the Lessor for any reasonable expenses, including legal fees, incurred by the Lessor in order for it to comply with its obligations hereunder.

**10. REGISTRATION**

- 10.1 The Lessee will provide the Registry with the appropriate number of copies of every document to be registered with respect to a disposition of the leasehold estate referred to in Articles 6 or 9. Documents must be in a form acceptable for registration in the Registry.
- 10.2 Neither the granting of this Lease nor anything contained in it will be construed as an agreement or assurance that this Lease or any assignment, mortgage or other disposition of the leasehold estate can or may be registered in a provincial land title or registry office.

**11. UTILITIES**

- 11.1 The Lessee is responsible for providing at its expense all services and facilities required by it for use of the Premises.

**12. TAXES**

- 12.1 The Lessee will pay on or before the due date in each and every year during the Term all applicable taxes, trade licences, rates, levies, duties and assessments of any kind lawfully imposed by any competent authority, whether in respect of the Premises, fixtures, machinery, equipment or business relating to the Premises or in respect of occupation of the Premises by anyone.

- 12.2 Without in any way relieving or modifying the obligation of the Lessee to comply with Section 12.1, the Lessee may at its expense, contest or appeal the validity or amount of any tax, trade licence, rate, levy, duty or assessment PROVIDED that the Lessee first pays the disputed amount and commences any proceedings to contest or appeal the validity or amount forthwith and continues with the proceedings with reasonable diligence.

**13. COMPLIANCE WITH LAWS**

- 13.1 The Lessee, acting reasonably and at its expense, will observe and perform all of its obligations and all matters and things necessary or expedient to be observed or performed by it in connection with the Premises in accordance with Applicable Laws.
- 13.2 Without limiting the generality of Section 13.1 the Lessee agrees to subdivide and develop the Lands in the manner contemplated under the Landlord's Subdivision, Development and Servicing Law 2010 as same may be amended from time to time and acknowledges the Lessor's authority to regulate such matters on Tzeachten Lands. Nothing in this Section 13.2 shall be interpreted to limit or restrict the residential density entitlement described in Section 4.1(c).
- 13.3 Without in any way relieving or modifying the obligation of the Lessee to comply with Section 13.1, the Lessee may at its expense, contest or appeal the enforceability or validity of any of the Applicable Laws, PROVIDED that the Lessee commences any proceedings to contest or appeal the enforceability or validity thereof or any cost associated therewith forthwith and continues with the proceedings with reasonable diligence.

**14. NUISANCE**

- 14.1 The Lessee will not cause, permit or suffer any nuisance at the Premises.
- 14.2 The normal carrying on at any time by the Lessee of a lawful use as contemplated in Section 4.1 to the standards required of it under any provision of this Lease will not be considered a nuisance for the purposes of this Article 14.

**15. WASTE**

- 15.1 The Lessee will not cause, permit or suffer the commission of any waste on the Lands.
- 15.2 The Lessee will not cause, permit or suffer the removal of any sand, gravel, topsoil, or other material constituting part of the Lands except as required by construction and installations permitted by this Lease and otherwise except in compliance with Applicable Laws, in which case, removal will not constitute waste.

**16. RUBBISH**

- 16.1 Without limiting Article 14, the Lessee will not cause, permit or suffer any rubbish or debris to be placed or left at the Premises except as is reasonably necessary in accordance with the uses permitted by Article 4, by construction or installations permitted by this Lease or as permitted in writing by the Lessor, acting reasonably.

**17. ENVIRONMENTAL STANDARDS**

- 17.1 Without limiting the generality of Article 13, the Lessee will at all times conduct all business or activities on the Premises in compliance with all applicable environmental laws, statutes, by-laws, ordinances, regulations, notices, orders or lawful requirements of the federal, provincial, municipal government or authority, the First Nation Council or other lawful authority.

**18. NO CONTAMINANTS**

- 18.1 Without limiting the generality of Article 13, no Toxic Substances or Nutrients will be used, emitted, discharged or stored on the Premises or any adjacent land by the Lessee, its officers, directors, invitees, agents, employees or Sublessee except in strict compliance with all applicable environmental laws, statutes, by-laws, ordinances, regulations, notices, orders or lawful requirements of the federal, provincial, municipal government or authority, the First Nation Council or other lawful authority; and the Lessee will immediately give written notice to the Lessor of the occurrence of any event in or on the Premises constituting an offence thereunder or being in breach thereof and, if the Lessee will, alone or with others, cause or permit the happening of such event, the Lessee will, at its own expense:

- (a) promptly remove the Toxic Substances or Nutrients from the Premises in a manner which conforms with all such applicable environmental laws, permits, by-laws, ordinances, regulations, notices and orders governing the removal, movement and disposal of, Toxic Substances or Nutrients; and
- (b) provide all bonds or securities reasonably required by the Lessor or government authority having jurisdiction; and
- (c) if requested, obtain at the Lessee's expense, from an independent consultant designated or approved by the Lessor, acting reasonably, verification of the complete and proper removal of the Toxic Substances or Nutrients from the Premises or, if such is not the case, reporting as to the extent of any failure of this Article 18; and
- (d) assume full responsibility for all damages to adjacent land and water caused by any such discharge of Toxic Substances or Nutrients which originated on and whose source is the Premises.

**19. COSTS ASSOCIATED WITH MITIGATION OF ENVIRONMENTAL IMPACTS**

- 19.1 The Lessee will, at its own expense, remedy any damage to the Lands caused by the performance of the Lessee's obligations under Article 18.
- 19.2 The Lessee will implement the appropriate technology, design or repair to mitigate anticipated or remediate actual adverse environmental impacts attributable to the Lessee's use of the Premises immediately following discovery or notice thereof by the Lessee. Further, the Lessee will permit the Lessor's representatives to enter onto the Premises at all reasonable times and on reasonable prior written notice, to inspect and monitor the Lessee's activities in the course of mitigation and to ensure that the Lessee

has taken reasonable steps to mitigate any reasonably anticipated or actual adverse impacts attributable to the Lessee on the Environment to the satisfaction of the Lessor

**20. POSSESSION OF HAZARDOUS SUBSTANCES, TOXIC SUBSTANCES AND NUTRIENTS**

- 20.1 If the Lessee brings or creates upon the Premises or permits the bringing or creating thereon any Hazardous Substance, Toxic Substance or Nutrient or if the conduct of the Lessee's business will cause there to be any Hazardous Substances, Toxic Substances or Nutrients upon the Lands or the Premises notwithstanding any rule of law to the contrary, such Hazardous Substance, Toxic Substance or Nutrient will be and remain the sole and exclusive property of the Lessee and will not become the property of the Lessor notwithstanding the degree of fixation of the Hazardous Substance, Toxic Substance or Nutrient or the goods containing the Hazardous Substance, Toxic Substance or Nutrient to the Premises and notwithstanding the expiry or earlier termination of this Lease.

**21. SURVIVAL OF OBLIGATIONS**

- 21.1 The obligations of the Lessee pursuant to Articles 17, 18, 19 and 20 will survive the expiry of this Lease, save only that, to the extent that the performance of these obligations requires access to or entry upon the Premises or any part thereof after the expiration of this Lease, the Lessee will be afforded reasonable entry and access for purposes at such times and upon such terms and conditions as the First Nation Council may from time to time reasonably specify in writing. If the Lessee, despite being afforded reasonable opportunities to perform such obligations, fails to do so, the Lessor may, at the Lessee's expense, by the Lessor's officers, employees, agents or contractors and subcontractors, undertake the performance of any necessary work in order to complete such obligations of the Lessee, but having commenced such work, the Lessor will have no obligation to the Lessee to complete such work.

**22. ALTERATIONS AND ADDITIONS**

- 22.1 The Lessee will not erect Improvements, alter, remove, add to, replace, or make substitutions for the Improvements except in compliance with Applicable Laws.

**23. NEW IMPROVEMENTS**

- 23.1 The Lessee will not construct any new buildings, structures or other Improvements on, under or above the Lands except in compliance with Applicable Laws.

**24. REPAIR OF PREMISES**

- 24.1 The Lessee will be solely responsible, in compliance with Applicable Laws, for the erection of any Improvements on the Lands and for the condition, operation, repair, replacement, maintenance and management of the Premises, subject to reasonable wear and tear

**25. SIGNS**

- 25.1 The Lessee will have the right, to erect or exhibit signage, in accordance with Applicable Laws, in and about any portion of the Premises in conjunction with any lawful purpose described or contemplated in Article 4

**26. LIABILITY INSURANCE**

- 26.1 The Lessee will forthwith effect and maintain at its expense and in a form reasonably acceptable to the Lessor, comprehensive general liability insurance with the Lessor named as an additional insured.
- 26.2 The liability insurance will provide protection in an amount of not less than \$5,000,000.00 for any one occurrence or to such other reasonable amount as the Lessor may notify the Lessee in writing from time to time.

**27. PROPERTY INSURANCE**

- 27.1 The Lessee, acting reasonably, will effect and maintain at its expense throughout the Term "all risks" property insurance in a form reasonably acceptable to the Lessor insuring the Improvements against loss or damage by fire and other perils from time to time included in such policies offering similar properties in British Columbia as would be insured against by a prudent owner.
- 27.2 Where the Lessee subleases a portion of the Lands to a Sublessee then the Lessee shall cause the Sublessee or the Owner Association to take out and maintain, for the term of the Sublease:
- (a) liability insurance similar to that described in Section 26.1, with the Lessee and the Lessor named as an additional insureds;
  - (b) property insurance with respect to any Improvements that are constructed on the Lands that are the subject of the Sublease, similar to that described in Section 27.1

**28. INSURANCE PROVISIONS**

- 28.1 Every insurance policy required under this Lease will, to the extent that it is obtainable, contain an agreement by the insurer that it will not cancel or substantially alter the policy without first giving the insureds at least 15 days prior written notice.
- 28.2 Notwithstanding the foregoing all insurance obligations of the Lessee shall be waived during such time as title to the Lands is held by CMHC in the event that it has granted or insured a mortgage and subsequently acquired title to the Lands by reason of the default of the Lessee.

**29. INSURANCE VALIDATION**

- 29.1 The Lessee will not do, permit or suffer anything to be done at or on the Premises which might cause any policy of insurance required by this Lease to be invalidated or cancelled, and the Lessee will comply forthwith with every lawful notice in writing from

the First Nation Council or any insurer requiring the execution of works or discontinuance of any use of the Premises in order to avoid invalidation or cancellation of any insurance.

- 29.2 The Lessee will, upon request, deliver certificates of the insurance evidencing every policy of insurance that is required by this Lease immediately after the insurance is effected and will, upon written request, deliver a certificate of renewal that the insurance has been renewed or replaced at least ten (10) days before the expiry of any policy of insurance in force.
- 29.3 The Lessee will, upon written request, deliver a copy of every insurance policy taken out by the Lessee with respect to the Premises.

### **30. REINSTATEMENT OF DAMAGED PREMISES**

- 30.1 Where the Lessee determines to restore or repair damage to the Premises, such restoration or repair will be carried out in good and workmanlike manner and with reasonable diligence and in compliance with Applicable Laws.
- 30.2 The Lessee, prior to commencing any work of restoring, rebuilding or replacing the Improvements, in whole or in part, will remove or screen unsightly rubble and debris resulting from damage or destruction and will keep the Lands in safe and secure condition. If the Lessee fails to perform such obligations in any material respect, the Lessor may, at the Lessee's expense, by the Lessor's officers, employees, agents or contractors and subcontractors, undertake the performance of any necessary work in order to complete such obligations of the Lessee, but having commenced such work, the Lessor will have no obligation to the Lessee to complete such work.

### **31. BUILDINGS, FIXTURES AND CHATTELS**

- 31.1 Ownership of any Improvements made upon or to the Lands by or for the Lessee will vest in the Lessee or any Sublessee, as the case may be, for and during the Term, notwithstanding any rule or law to the contrary. Notwithstanding the foregoing, the Lessor will be entitled, on written notice to the Lessee delivered prior to the commencement of the last year of the Term, to require the Lessee to remove some or all its Improvements from the Lands upon expiry of the Term and leave the Lands in a clean and safe condition.
- 31.2 The Lessee will pay all costs and expenses incurred in the removal and disposal of the Improvements and in making good all damage caused to the Lands by the removal thereof forthwith upon demand. The Lessor will not be responsible to the Lessee or any Sublessee for any loss suffered by the Lessee or any Sublessee as a result of the removal or the disposal of any Improvements, moveable goods, chattels or tenant's fixtures and Improvements which the Lessee fails to remove in accordance herewith.

### **32. INDEMNITY**

- 32.1 The Lessee will indemnify and save harmless the Lessor, its Chief, councilors, officers, employees, agents or contractors, against and from all liability, loss, costs, claims, demands, expenses, actions, damages, suits and other proceedings arising out of or related to any breach of a Lessee's covenant or for personal injury, death or property

damage or loss arising out of or related to any act or omission of the Lessee, its officers, employees or agents or any person for whom the Lessee is responsible.

**33. QUIET ENJOYMENT**

33.1 The Lessee, by paying the Rent, may peaceably and quietly possess, hold and enjoy the Lands during the Term without any interruption or disturbance by the Lessor or anyone claiming by or through it.

**34. DEFAULT**

34.1 Subject always to Section 8.1, if the Lessee is in default hereunder then the Lessor may give the Lessee notice of such default.

34.2 If the Lessor gives the Lessee notice of default under Section 34.1 and either:

- (a) the default is reasonably capable of being cured within sixty (60) days after the notice is given and the Lessee fails to cure the default within the sixty (60) days; or
- (b) the default is not reasonably capable of being cured within sixty (60) days after the notice is given and the Lessee fails to commence to cure the default with reasonable diligence upon receipt of the notice and to proceed to cure it with reasonable diligence to completion;

then, subject to the provisions of this Article 34 and to the rights of the parties under Article 48, the Lessor may take such action as provided in Section 34.6.

34.3 No notice to the Lessee hereunder will be valid for any purpose unless and until a copy of such notice is also given to each Approved Mortgagee and the Owner Association. The copy of such notice may be given to the Approved Mortgagee and the Owner Association at the address specified by them and otherwise on the same terms and conditions as applicable to notices referred to in Article 49.

34.4 Any curing of a default by an Approved Mortgagee, Owner Association or any Sublessee will be construed as curing of that default by the Lessee.

34.5 If any disagreement arises as to the occurrence or subsistence of a default hereunder or whether the curing of any such default is promptly commenced, has been substantially completed or is proceeding with reasonable diligence, and without limiting any other remedies or relief that might be available to the Lessee, an Approved Mortgagee or a Sublessee in accordance herewith or at law, the question may be dealt with in accordance with Article 48 of this Lease.

34.6 The Lessor acknowledges that in consideration of the Rent, the Lessor will only be able to seek recourse in respect of alleged default by the Lessee hereunder by way of a claim in law against the Lessee for debt or damages, as the case may be, which claim may be dealt with in accordance with Article 48 or by way of an order of a court of competent jurisdiction restraining continuing breach, and has no right to cancel or terminate this Lease.

**35. PERFORMANCE OF COVENANTS**

- 35.1 All agreements, terms, conditions, provisos, duties and obligations to be performed or observed by the Lessee under this Lease will be deemed to be Lessee's covenants and all the Lessee's covenants in this Lease are made with the Lessor for the Lessee and for its successors and assigns. Without limiting any other remedy of the Lessor under this Lease, the Lessor may request the Lessee in writing to perform the covenant, and if the Lessee does not perform it within thirty (30) days of such order the Lessor may but will not be obligated to do whatever is reasonably necessary to perform it. The Lessee will pay to the Lessor any cost or expense reasonably incurred by the Lessor in performing the covenant forthwith upon demand by the Lessor.
- 35.2 The Lessee will provide the Lessor, its officers, employees, agents, contractors and subcontractors, with and without vehicles and equipment, convenient access to the Premises at all reasonable times on reasonable prior written notice, except in the case of an emergency, for the purposes of viewing the Premises and otherwise determining that the Lessee's covenants are being duly observed and performed. The Lessee may require that a representative of the Lessee be present.
- 35.3 The Lessee will also provide the Lessor, its officers, employees, agents, contractors and subcontractors with and without vehicles and equipment all reasonable and necessary access to the Premises for the purpose of performing the Lessee's covenants pursuant to Section 35.1.

**36. PAYMENTS PAID BY LESSOR**

- 36.1 If at any time before or after the expiration of the Lease the Lessor suffers or incurs any damage, loss or expense by reason of any failure of the Lessee to perform or observe any of the Lessee's covenants or makes any payment for which the Lessee is liable under this Lease, or if the Lessor is compelled or, acting reasonably, elects to incur any expense including legal fees in instituting, prosecuting or defending any action or proceeding instituted by reason of any default of the Lessee under this Lease (including any action or proceeding against the Lessee) and succeeds in establishing such default, then in every such case the amount of damage, loss, expense or payment (including reasonable legal fees), together with interest as provided in Section 37.1, will be paid by the Lessee to the Lessor forthwith on demand.

**37. ARREARS TO BEAR INTEREST**

- 37.1 If any sum owing by the Lessee to the Lessor under this Lease is not paid within thirty (30) days from the date on which it is due then it will bear interest at the Prime Rate in effect from time to time plus 5% per annum from the date the sum is due until the date of the payment by the Lessee, but this stipulation for interest will not prejudice or affect any other remedies of the Lessor under this Lease or otherwise, or be construed to relieve the Lessee from any default.

**38. REMEDIES CUMULATIVE**

- 38.1 All rights and remedies of the Lessor are cumulative and are in addition to and do not exclude any other right or remedy provided in this Lease.

38.2 All rights and remedies of the Lessor may be exercised concurrently.

**39. SURRENDER OF POSSESSION**

39.1 Subject to Article 31, when the Term expires or otherwise ends, the Lessee will peaceably surrender the Lands and the Improvements, as applicable, as provided in this Lease.

**40. HOLDING OVER**

40.1 If the Lessee continues in possession of the Premises after the expiry of the full Term, notwithstanding any payment of Rent, the Lessee will be considered a tenant from month to month.

40.2 The month to month tenancy referred to in Section 40.1 will be subject to all the terms and conditions of this Lease except as they are inapplicable to the tenancy from month to month and rent shall be at fair market value.

**41. NET LEASE**

41.1 This Lease is to be a completely carefree net lease and notwithstanding anything in this Lease to the contrary the Lessor is not to be responsible during the Term for any costs, charges, expenses or outlays of any nature in respect of the Premises.

**42. WARRANTIES**

42.1 The Lessor warrants that there is satisfactory access to the Premises by public or private road or right of way and the Lessee's obligations hereunder are subject to such access remaining available during the Term.

42.2 The Lessor acknowledges that the Lessee is leasing the Lands to the Lessee on the basis that they are capable for development pursuant to the Lessee's intended use and to the best of the Lessor's knowledge there are no environmental, heritage or cultural prohibitions to such development.

**43. CERTIFICATE OF STATUS**

43.1 The Lessor will from time to time, upon not less than 15 days prior request by the Lessee or an Approved Mortgagee, execute and deliver a statement in writing certifying:

- (a) that this Lease is unmodified and in full force and effect or if modified, identifying such modifications and confirming that the Lease is in full force and effect as modified;
- (b) that the Lessee is not in default of any provision of this Lease, or if in default, the particulars thereof; and

any other matters related to this Lease as may be reasonably requested.

**44. OTHER ENCUMBRANCES**

- 44.1 The Lessor authorizes the granting of or will execute and deliver any easement, right of way or similar charge over the Lands as may be reasonably required by any public utility or approving authority to enable the Lessee to develop or redevelop the Lands for any lawful purpose provided that the Lessee will reimburse the Lessor for any reasonable expenses, including legal fees, incurred by the Lessor in order for it to comply with its obligation hereunder.
- 44.2 The Lessor may, with the prior written consent of the Lessee, such consent not to be unreasonably withheld, during the Term and in connection with the installation and maintenance of water, sewage, heating, electricity, gas, telecommunication, cable, security or other utility or service systems which may be required by the Lessor to service lands adjacent to or proximate to the Lands, grant licenses, easements or rights of way in the lands or any part thereof to any public utility or other entity providing the utility or service on terms and in a form acceptable to the Lessee. At the request of the Lessor, the Lessee will promptly execute and deliver to the Lessor any instrument that may be necessary to subordinate the Lessee's right and interest in the Premises to the charge referred to in this section.

**45. HIRING PRACTICES**

- 45.1 The Lessee will hire as many members of the First Nation as is reasonably possible for provision of services to be performed in connection with its development activities on the Lands provided that such employees and contractors must be as equally qualified as other available market labour to perform their responsibilities required for the proper fulfilment of the positions being sought by them and further provided that the Lessee shall not be required to pay in excess of market rates for any such services.

**46. HEADINGS**

- 46.1 All headings in this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit, enlarge, modify or explain the scope or meaning of the Lease or any of its provisions.
- 46.2 Any reference in this Lease to an Article or Section will mean an Article or Section of this Lease unless otherwise expressly provided.
- 46.3 Any reference in this Lease to Lessee's covenants will be deemed to include all terms and conditions to be performed or observed by the Lessee under this Lease.

**47. AMENDMENTS**

- 47.1 This Lease constitutes the entire agreement between the Parties with respect to the subject matter of this Lease and no modification, or waiver of any provision of the Lease will be inferred from anything done or omitted by either of the Parties except by an express waiver in writing duly executed by the respective Party.

47.2 No condoning, excusing or overlooking by the Lessor of any default by the Lessee at any time or times in performing or observing any of the Lessee's covenants will operate as a waiver of or otherwise affect the rights of the Lessor in respect of any continuing or subsequent default and no waiver of these rights will be inferred from anything done or omitted by the Lessor except by an express waiver in writing.

**48. ARBITRATION**

48.1 Should there be a disagreement or dispute between the Parties with respect to any matter under this Agreement or the interpretation thereof, the same may be referred jointly by the Parties to a single arbitrator pursuant to the *Arbitration Act* of British Columbia and any amendments thereto and the determination of such arbitrator will be final and binding upon the Parties.

48.2 The party requiring arbitration or any other dispute resolution process shall give timely notice of all arbitration proceedings to the Owner Association and the Approved Mortgagee and the Approved Mortgagee may participate fully in the proceedings, if in the Approved Mortgagee's reasonable opinion the outcome may affect its security, as may the Owner Association.

**49. NOTICE**

49.1 All notices under this Lease must be given in writing and delivered in accordance with this Article 49.

49.2 All notices will be delivered to the other Party and no notice will be effective until such delivery has been made.

The addresses for delivery are:

**To the Lessor:**

**TZEACHTEN FIRST NATION**  
As represented by its duly elected Council  
45855 Promontory Road, Chilliwack, BC V2R 0H3

**To the Lessee:**

1172852 B.C. LTD.  
Suite 201 - 585 16<sup>th</sup> Street, West Vancouver, B.C. V7V 3R8

49.3 Notice will be deemed to have been delivered:

- (a) if delivered by hand, upon receipt;
- (b) if sent by electronic transmission, the next business day after the day of transmission, excluding from the calculation weekends and holidays; or
- (c) if sent by registered mail, four (4) days after the mailing thereof.

49.4 Either party may change the address shown in this agreement by informing the other Party of the new address, and such change will take effect fifteen (15) days after the notice is received.

**50. TIME OF THE ESSENCE**

50.1 Time is of the essence in this Lease.

**51. SEVERABILITY**

51.1 If any part of this Lease is declared or held invalid for any reason, the invalidity of that part will not affect the validity of the remainder which will continue in full force and effect and be construed as if this Lease had been executed without the invalid portion.

**52. ENUREMENT, PLURALITY AND GENDER**

52.1 This Lease will be for the benefit of and be binding upon the heirs, executors, administrators, successors, assigns and other legal representatives, as the case may be, of each of the Parties. Every reference in this Lease to any Party includes the heirs, executors, administrators, successors, assigns and other legal representatives of the Party.

52.2 Reference to a Party will be read as if all required changes in the singular and plural and all grammatical changes rendered necessary by gender had been made.

52.3 If a Party is comprised of more than one Person then all covenants and agreements of that Party will be deemed joint and several.

**53. NOT A JOINT VENTURE**

53.1 Nothing in this Lease will be construed as making the Lessor an agent, partner or joint venturer with the Lessee nor as creating any relationship between the Parties other than the relationship of lessor and lessee.

53.2 The Parties acknowledge that this Lease does not constitute an association for the purpose of establishing a partnership or joint venture and does not create an agency relationship between the Lessor and the Lessee.

**54. APPLICABLE LAWS**

54.1 This Lease is subject to and governed by the Land Code and all other Applicable Laws.

**55. OTHER ASSURANCES**

55.1 Each of the parties will execute and deliver such further and other documents and assurances as another party hereto may reasonably request to better carry out or document the intentions herein expressed.

**56. NO OTHER AGREEMENTS BIND THE LANDS**

- 56.1 The Lessor covenants with the Lessee that it is the sole lawful possessor of the Lands and that this Lease will not violate any agreement with any person who has, or will have, an interest in the Lands or any portion thereof.

**57. AUTHORITY TO LEASE**

- 57.1 The Lessor covenants that it has good right, full power and authority to lease the Lands to the Lessee and grant the leasehold estate in the manner and according to the true intent of this Lease.

**58. EXPROPRIATION**

- 58.1 If, at any time during the term of the Lease, any public body or paramount authority shall take or expropriate the whole or a portion of the Premises, then the Lessor and the Lessee may exercise fully all rights, remedies and claims for compensation which each may have under applicable legislation. The Lessor and Lessee shall inform each other fully of the claims for compensation made by each of them in the event of any expropriation, shall not claim compensation on any basis inconsistent with this Lease, and shall afford reasonable cooperation with each other in the prosecution of any proper separate claims. The Lessor and Lessee shall co-operate with each other regarding any expropriation of the Lands or any part thereof so that each receives the maximum award to which it is entitled at law.

**59. ADJACENT LANDS**

- 59.1 The Adjacent Lands are currently owned by Shxw Kwimel Cha Management Ltd. (which is a company controlled by the Lessor) as bare trustee, agent and nominee for and on behalf of the Lessor. The Lands are not currently included within the Reserve. Forthwith following commencement of the Term the Lessor agrees to make all applications necessary to have the Adjacent Lands added to the Reserve. It is the Parties intention that the Adjacent Lands are to be included as part of the lands leased hereunder and that the Rent paid hereunder includes all rent payable by the Lessee to the Lessor for the Adjacent Lands for the entire Term of this Lease. Once the Adjacent Lands have been included into the Reserve the Parties will execute a Modification of Lease modifying this Lease so as to include the Adjacent Lands as "Lands". The Lessor agrees to grant the Lessee an easement or other right of occupation of the Adjacent Lands permitting its exclusive use of the Adjacent Lands for the period commencing at the commencement of the Term and ending on the date the Modification of Lease referred to above is executed by all Parties and registered at the Registry.

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**Tzeachten First Nation**  
**Tzeachten (TZFN) Lands Register**  
**Form No. TZFN-02-B (Non-Member)**  
 (FORM AS OF July 1, 2010)

FOR OFFICE USE ONLY:

APPROVED AS TO THE FORM BY THE REGISTRAR OF LANDS PURSUANT TO THE TZEACHTEN FIRST NATION LAND CODE

Signature \_\_\_\_\_

Date \_\_\_\_\_

**GENERAL INSTRUMENT – PART 1**

1. APPLICATION		
Date May 29, 2019	Name of Person Holding Interest to be Registered or Transferred 1172852 B.C. Ltd. c/o Goluboff & Mazzei	
Address 201-585 16th St, West Vancouver, BC, V7V 3R8	Phone No. 604-925-6900	
Email Address leighanne@goluboffmazzei.com	MUST BE SIGNED By Applicant, Applicants Solicitor or Agent or this will not be registered <i>[Signature]</i>	
2. PARCEL IDENTIFIER		
PIN 903025588	Lot No. 382	
Plan No. CLSR 107517	Reserve Name & No. Tzeachten No. 13	
3. NATURE OF INTEREST		
Description (Type of Interest & Registration No.) Lease	Document Reference (page & paragraph) Entire Document	
Person Entitled to Interest/Legal Interest-Holder 1172852 B.C. Ltd.	Other Interest-Holders	
4. TERMS		
Part 2 of this instrument consists of (select one only)		
<input type="checkbox"/> Agreement for Sale	<input type="checkbox"/> Discharge of Mortgage	<input type="checkbox"/> Permit
<input type="checkbox"/> Assignment of Lease	<input type="checkbox"/> Easement	<input type="checkbox"/> Release
<input type="checkbox"/> Assignment of Mortgage	<input checked="" type="checkbox"/> Lease	<input type="checkbox"/> Sublease
<input type="checkbox"/> Assignment of Sublease	<input type="checkbox"/> License	<input type="checkbox"/> Other: _____
<input type="checkbox"/> RUSH REGISTRATION FEE INCLUDED		
Part 2 includes any additional or modified terms referred to in Item 7 or in a schedule attached to this instrument. If discharge of mortgage or release is selected, the interest described in Item 3 is released or discharged from the land described in Item 2.		
5. TRANSFEROR(S)		
Name TZEACHTEN FIRST NATION	Address 45855 Promontory Rd, Chilliwack, BC, V2R 0H3	
Name	Address	
6. TRANSFEREE(S)		
Name 1172852 B.C. LTD.	Occupation	
Address 201-585 16th St., West Vancouver, BC, V7V 3R8	Contact No. 604-925-6900	
Name	Occupation	
Address	Contact No.	
7. DURATION		
Term 109 years	Effective June 1, 2019	Expiry May 31, 2128
8. ADDITIONAL OR MODIFIED TERMS		



## LAND LEASE

THIS LEASE dated for reference the 1st day of June, 2019 is made

BETWEEN

TZEACHTEN FIRST NATION  
45855 Promontory Road  
Chilliwack, BC V2R OH3

(hereinafter called the "Lessor")

AND

1172852 B.C. LTD., a company incorporated in B.C. and having its registered office at Suite 201 – 585 16<sup>th</sup> Street, West Vancouver, B.C. V7V 3R8

(hereinafter called the "Lessee")

### RECITALS

- A. The Lands leased under this Lease are part of Tzeachten Indian Reserve No. 13.
- B. The Lessor is authorized to grant this Lease pursuant to the Tzeachten First Nation Land Code (the "Land Code") which sets out the principles, rules and administrative structures pursuant to which the First Nation will exercise authority and jurisdiction over the Tzeachten Lands and the Lessor has satisfied all legal requirements under the Land Code in order to grant the leasehold interest contemplated herein.

In consideration of the rents, covenants and agreements reserved and contained in this Lease, the Parties covenant and agree as follows:

#### 1. DEFINITIONS

- (a) "Applicable Laws" means, in respect of the Lands, the Land Code and any other applicable law, statute, by-law, ordinance, regulation or lawful requirement of the federal, provincial or municipal government or authority, the First Nation or First Nation Council or any public utility lawfully acting under statutory power.

- (b) **"Approved Mortgagees"** means all mortgagees of the leasehold interest herein granted or granted by a Sublessee and whose mortgages have been registered in the Registry and includes CMHC and **"Approved Mortgagee"** means any one thereof.
- (c) **"Artifact"** means any burial site, human remains, or any First Nation artifact or burial remain of archaeological or cultural interest.
- (d) **"Bank of Canada Review"** means the publication so titled that is published by the Bank of Canada on a monthly basis or any similar publication that is published by the Bank of Canada on at least a monthly basis as a replacement for the Bank of Canada Review and in which the per annum interest rate that is charged by Canadian chartered banks to their most creditworthy commercial borrowers from time to time are published.
- (e) **"CMHC"** means Canada Mortgage and Housing Corporation and its successor.
- (f) **"Environment"** means the air, land, water and all other external conditions or influences under which humans, animals and plants live or are developed.
- (g) **"First Nation"** means the Tzeachten First Nation or any successor to the First Nation pursuant to a federal statute.
- (h) **"First Nation Council"** means the governing body of the First Nation, elected in accordance with Applicable Laws.
- (i) **"Hazardous Substances"** means:
  - (i) explosives;
  - (ii) inflammable oils and materials; and
  - (iii) any substance which when discharged into the Environment is or is likely to injure, damage, or endanger land, water, property, animal or plant life or human health or safety.
- (j) **"Improvements"** means all buildings, structures, works, facilities, services, landscaping and other improvements by whomsoever made and which are at any time and from time to time situate on, under or above the Lands, including all equipment, machinery, apparatus and fixtures (other than trade fixtures) forming part of or attached to the improvements and all alterations, removal, additions to, replacements and substitutions of the "Improvements".
- (k) **"Lands"** means Lot 382, CLSR Plan 107517, Tzeachten No. 13.
- (m) **"Lease"** means this Indenture of Lease.
- (n) **"Lessor"** means Tzeachten First Nation, its successors and assigns.

- (o) **"Minerals"** means ore of metal and every natural substance that can be mined and that:
- (i) occurs in fragments or particles lying on or above or adjacent to the bedrock source from which it is derived, and commonly described as talus; or
  - (ii) is in the place or position in which it was originally formed or deposited, as distinguished from loose, fragmentary or broken rock or float which by decomposition or erosion of rock, is found in wash, loose earth, gravel or sand, and includes coal, petroleum and all other hydrocarbons; regardless of gravity and howsoever and wheresoever recovered, natural gas, building and construction stone, limestone, dolomite, marble, shale, clay, sand and gravel.
- (p) **"Nutrient"** means any substance or combination of substances defined as a nutrient under the *Canadian Environmental Protection Act* as amended or replaced from time to time.
- (q) **"Owner Association"** means a society or corporation incorporated by or on behalf of the Lessee pursuant to the laws of British Columbia, of which all of the members, or shareholders, as the case may be, may be comprised of the Lessee, nominees of the Lessee and all Sublessees and which is at all times controlled by the Lessee or the Sublessees.
- (r) **"Party"** means a party to this Lease and **"Parties"** means all of them.
- (s) **"Person"** includes any individual, partnership, association or corporation.
- (t) **"Premises"** means and includes the Lands and the Improvements and every reference in this Lease to the "Premises" includes a reference to every part of the Lands or the Premises, as the context may require.
- (u) **"Prime Rate"** means, for any particular calendar month the per annum interest rate that is charged by Canadian chartered banks to their most creditworthy commercial borrowers in effect upon the last Wednesday of the month as the rate is ascertained and published for the month in the Bank of Canada Review, or if more than one such rate is published for the last Wednesday of the month, the average of all such rates or if another day or other days are substituted for the last Wednesday of the month in the Bank of Canada Review, the rate or the average of all rates published for the day or days substituted for the last Wednesday of the month.
- (v) **"Registry"** means the First Nations Land Registry established by Canada and held in Ottawa, Ontario or successor registry for the Tzeachten Lands established in accordance with Applicable Laws.
- (w) **"Rent"** means the rent described in Article 5 hereof.
- (x) **"Reserve"** means Tzeachten Indian Reserve No. 13, which has been set apart for the use and benefit of the First Nation.

- (y) **"Residential Lands"** means that portion of the Lands developed for residential use, including internal roads.
- (z) **"Subleased Lands"** means that portion of the Lands included in a sublease granted pursuant to this Lease.
- (aa) **"Sublessee"** means any sublessee of the Lessee whose sublease is registered in the Registry.
- (bb) **"Term"** means the r period commencing on the date this Lease is registered at the Registry and ending on the 31<sup>st</sup> day of May, 2128.
- (cc) **"Toxic Substance"** means any substance defined as a toxic substance under the *Canadian Environmental Protection Act* as amended or replaced from time to time.
- (dd) **"Tzeachten Lands"** has the meaning ascribed to it in the Land Code.

## 2. THE DEMISE

- 2.1 The Lessor hereby leases to the Lessee the Lands, and except as otherwise provided herein, free and clear of all liens, charges and encumbrances, TO HAVE AND TO HOLD the Lands unto the Lessee for the Term, yielding and paying the Rent as hereinafter provided, and subject to the terms, conditions, provisos, exceptions and reservations contained in this Lease.
- 2.2 The Lessee acknowledges that this Lease is subject to Applicable Laws.

## 3. MINERALS

- 3.1 The granting of this Lease does not grant any interest in the Minerals or natural resources under the Lands.

## 4. USE OF LANDS

- 4.1 The Lands may be used for any lawful purpose in accordance with Applicable Laws. Be it always provided, and notwithstanding anything to the contrary herein or otherwise:
  - (a) The Lessee at the time of execution of this Lease intends to use the Lands for the development of one or more multi family residential complexes. The recently updated Tzeachten Community Plan shall not apply;
  - (b) The Lands are be zoned "Mixed Use" in accordance with the Tzeachten Zoning Law which zoning as it relates to the Lands cannot be changed without the consent of the Lessee;
  - (c) The Lessee shall be entitled to overall density of up to 75 residential units per acre averaged over the entirety of the Residential Lands. That is, some portions of the Residential Lands may have density of more than 75 residential units per acre, some less but the overall average density over the entirety of the Residential Lands will be up to 75 units per acre. The Lessee is aware that in order to achieve overall density of up to 75 residential units per acre of the Residential Lands, the Lessee's development may have to include some medium rise high density multi-family condominium style apartments.

- 4.2 Except as otherwise set out herein, the Lands are being leased on an "as is-where is" basis. The Lessee:
- (a) confirms that it has conducted such further inspections of the Lands that it deems prudent, including any inspections relating to:
    - (i) the condition of the Lands, including its soil;
    - (ii) the compliance of the Lands with any Applicable Laws; and
    - (iii) the presence of any Hazardous Substances or Toxic Substance on the Lands
  - (b) has satisfied itself that the Lands are suitable for its intended uses.
- 4.3 The Lessee will immediately notify the Lessor and the First Nation Council of any Artifact unearthed or discovered on the Premises and will continue to use the Premises so as to avoid any further damage to the Artifact and ensuring its preservation to the greatest extent practicable.

## 5. RENT

- 5.1 The Lessee has paid of \$4,787,000.00 as rent for or in respect of the Lands for the entire Term, the receipt of which is hereby acknowledged.
- 5.2 The Lessor acknowledges the Rent has been paid in accordance with Section 5.1 and no other rent of any kind will be payable by the Lessee for the Lands during the Term.
- 5.3 The Lessee shall be required to pay any applicable GST on all payments of Rent.

## 6. ASSIGNMENT

- 6.1 The Lessee may assign this Lease or any portion thereof without the consent of the Lessor.
- 6.2 The Lessee will obtain from any proposed assignee a written agreement whereby the assignee covenants and agrees that it will observe and perform all of the covenants and agreements to be observed or performed by the Lessee under this Lease.
- 6.3 The assignment of this Lease by the Lessee will not relieve and discharge the Lessee from its obligations or liabilities under this Lease except to the extent such obligations are assumed in writing by the assignee.
- 6.4 In order to be valid, an assignment must be registered at the Registry and it must include the following provisions:
- (a) the assignee is bound by all terms of this Lease; and

- (b) in the event of conflict between the terms of this Lease and the assignment, the terms of this Lease will govern.

6.5 Provided that the Lessee at all times complies with all Applicable Laws in connection with any such subdivision the Lessee may subdivide the Lands or assign leasehold interests in portions of the Lands without the consent of the Lessor (in its capacity as lessor). The Lessor will, without payment of further rent or other consideration, promptly and without delay, sign such modifications of lease or replacement headleases as are required to facilitate the Lessee effecting any subdivision or making an assignment provided that the Lessee will reimburse the Lessor for any reasonable expenses, including legal fees, incurred by the Lessor in order for it to comply with its obligations hereunder.

## **7. SUBLETTING**

7.1 The Lessee may sublet any part of the Premises without the consent of the Lessor.

7.2 Any sublease of the Premises will include the following provisions:

- (a) a sublease may be for any period up to one day before the expiration of the Term of this Lease, and not beyond;
- (b) a sublease will be expressly subject and subordinate to this Lease and to the rights of the Lessor hereunder; and
- (c) a sublease will oblige the Sublessee not to do anything in contravention of this Lease.

7.3 It is hereby provided the Sublessees may peaceably and quietly possess, hold and enjoy the Subleased Lands during the term of the Lease and their sublease without interruption or disturbance by the Lessor, or anyone claiming under it, despite any default by the Lessee of its obligations hereunder.

## **8. NO RIGHT TO TERMINATE BY LESSOR**

8.1 All Rent for the Term has been paid. The Lessor acknowledges and agrees that this Lease cannot be terminated or cancelled prior to the end of the Term for any reason whatsoever without the written consent of the Lessee, Approved Mortgagee and all Sublessees, which consent may be arbitrarily withheld.

8.2 The Lessor hereby covenants and agrees with the intention that the rights of the Approved Mortgagee and Sublessee's shall be fully enforceable notwithstanding that they are not privy to the terms of the Lease and the Lessor shall not do anything or make any argument to prevent or obstruct whether directly or indirectly any Approved Mortgagee or Sublessee in taking the benefit of and enforcing the provisions of the Lease expressed to be for their benefit based upon the fact that such Approved Mortgagee or Sublessee is not privy to the terms of the Lease.

## **9. MORTGAGE**

- 9.1 The Lessee may mortgage the whole or any part of its interest in this Lease by any means without the consent of the Lessor. The Lessor confirms that any Approved Mortgagee may enforce its security to the fullest extent and acquire the leasehold estate in any lawful way and, by its representative or a receiver, as the case may be, take possession of and manage the Lands and sell or assign or sublet the Premises without notice to the Lessor and without the necessity of obtaining any consent from the Lessor or the Lessee. If the Approved Mortgagee takes possession (including the appointment of a receiver or receiver manager) of the Lands or any portion thereof, or acquires the Lessee's equity of redemption then the Approved Mortgagee will perform and observe all the Lessee's covenants and agreements under the Lease and recognize the rights of Sublessees and the Owner Association, if any, to enjoy the use of any common facilities, until either the Approved Mortgagee ceases to be a mortgagee in possession, the receiver or receiver manager ceases to be in possession of the Lease or the Lease is assigned in accordance with the terms of this Lease. Notwithstanding anything to the contrary herein, the Approved Mortgagee shall be relieved of all obligations or liabilities under the Lease upon such assignment.
- 9.2 The Lessor shall consent to such reasonable modifications of this Lease as may be necessary to satisfy the CMHC's leasehold lending requirements from time to time, provided such modifications do not extend the Term and provided that the Lessee will reimburse the Lessor for any reasonable expenses, including legal fees, incurred by the Lessor in order for it to comply with its obligations hereunder.

## **10. REGISTRATION**

- 10.1 The Lessee will provide the Registry with the appropriate number of copies of every document to be registered with respect to a disposition of the leasehold estate referred to in Articles 6 or 9. Documents must be in a form acceptable for registration in the Registry.
- 10.2 Neither the granting of this Lease nor anything contained in it will be construed as an agreement or assurance that this Lease or any assignment, mortgage or other disposition of the leasehold estate can or may be registered in a provincial land title or registry office.

## **11. UTILITIES**

- 11.1 The Lessee is responsible for providing at its expense all services and facilities required by it for use of the Premises.

## **12. TAXES**

- 12.1 The Lessee will pay on or before the due date in each and every year during the Term all applicable taxes, trade licences, rates, levies, duties and assessments of any kind lawfully imposed by any competent authority, whether in respect of the Premises, fixtures, machinery, equipment or business relating to the Premises or in respect of occupation of the Premises by anyone.

- 12.2 Without in any way relieving or modifying the obligation of the Lessee to comply with Section 12.1, the Lessee may at its expense, contest or appeal the validity or amount of any tax, trade licence, rate, levy, duty or assessment PROVIDED that the Lessee first pays the disputed amount and commences any proceedings to contest or appeal the validity or amount forthwith and continues with the proceedings with reasonable diligence.

### **13. COMPLIANCE WITH LAWS**

- 13.1 The Lessee, acting reasonably and at its expense, will observe and perform all of its obligations and all matters and things necessary or expedient to be observed or performed by it in connection with the Premises in accordance with Applicable Laws.
- 13.2 Without limiting the generality of Section 13.1 the Lessee agrees to subdivide and develop the Lands in the manner contemplated under the Landlord's Subdivision, Development and Servicing Law 2010 as same may be amended from time to time and acknowledges the Lessor's authority to regulate such matters on Tzeachten Lands. Nothing in this Section 13.2 shall be interpreted to limit or restrict the residential density entitlement described in Section 4.1(c).
- 13.3 Without in any way relieving or modifying the obligation of the Lessee to comply with Section 13.1, the Lessee may at its expense, contest or appeal the enforceability or validity of any of the Applicable Laws, PROVIDED that the Lessee commences any proceedings to contest or appeal the enforceability or validity thereof or any cost associated therewith forthwith and continues with the proceedings with reasonable diligence.

### **14. NUISANCE**

- 14.1 The Lessee will not cause, permit or suffer any nuisance at the Premises.
- 14.2 The normal carrying on at any time by the Lessee of a lawful use as contemplated in Section 4.1 to the standards required of it under any provision of this Lease will not be considered a nuisance for the purposes of this Article 14.

### **15. WASTE**

- 15.1 The Lessee will not cause, permit or suffer the commission of any waste on the Lands.
- 15.2 The Lessee will not cause, permit or suffer the removal of any sand, gravel, topsoil, or other material constituting part of the Lands except as required by construction and installations permitted by this Lease and otherwise except in compliance with Applicable Laws, in which case, removal will not constitute waste.

### **16. RUBBISH**

- 16.1 Without limiting Article 14, the Lessee will not cause, permit or suffer any rubbish or debris to be placed or left at the Premises except as is reasonably necessary in accordance with the uses permitted by Article 4, by construction or installations permitted by this Lease or as permitted in writing by the Lessor, acting reasonably.

17. **ENVIRONMENTAL STANDARDS**

17.1 Without limiting the generality of Article 13, the Lessee will at all times conduct all business or activities on the Premises in compliance with all applicable environmental laws, statutes, by-laws, ordinances, regulations, notices, orders or lawful requirements of the federal, provincial, municipal government or authority, the First Nation Council or other lawful authority.

18. **NO CONTAMINANTS**

18.1 Without limiting the generality of Article 13, no Toxic Substances or Nutrients will be used, emitted, discharged or stored on the Premises or any adjacent land by the Lessee, its officers, directors, invitees, agents, employees or Sublessee except in strict compliance with all applicable environmental laws, statutes, by-laws, ordinances, regulations, notices, orders or lawful requirements of the federal, provincial, municipal government or authority, the First Nation Council or other lawful authority; and the Lessee will immediately give written notice to the Lessor of the occurrence of any event in or on the Premises constituting an offence thereunder or being in breach thereof and, if the Lessee will, alone or with others, cause or permit the happening of such event, the Lessee will, at its own expense:

- (a) promptly remove the Toxic Substances or Nutrients from the Premises in a manner which conforms with all such applicable environmental laws, permits, by-laws, ordinances, regulations, notices and orders governing the removal, movement and disposal of, Toxic Substances or Nutrients; and
- (b) provide all bonds or securities reasonably required by the Lessor or government authority having jurisdiction; and
- (c) if requested, obtain at the Lessee's expense, from an independent consultant designated or approved by the Lessor, acting reasonably, verification of the complete and proper removal of the Toxic Substances or Nutrients from the Premises or, if such is not the case, reporting as to the extent of any failure of this Article 18; and
- (d) assume full responsibility for all damages to adjacent land and water caused by any such discharge of Toxic Substances or Nutrients which originated on and whose source is the Premises.

19. **COSTS ASSOCIATED WITH MITIGATION OF ENVIRONMENTAL IMPACTS**

19.1 The Lessee will, at its own expense, remedy any damage to the Lands caused by the performance of the Lessee's obligations under Article 18.

19.2 The Lessee will implement the appropriate technology, design or repair to mitigate anticipated or remediate actual adverse environmental impacts attributable to the Lessee's use of the Premises immediately following discovery or notice thereof by the Lessee. Further, the Lessee will permit the Lessor's representatives to enter onto the Premises at all reasonable times and on reasonable prior written notice, to inspect and monitor the Lessee's activities in the course of mitigation and to ensure that the Lessee

has taken reasonable steps to mitigate any reasonably anticipated or actual adverse impacts attributable to the Lessee on the Environment to the satisfaction of the Lessor

**20. POSSESSION OF HAZARDOUS SUBSTANCES, TOXIC SUBSTANCES AND NUTRIENTS**

- 20.1 If the Lessee brings or creates upon the Premises or permits the bringing or creating thereon any Hazardous Substance, Toxic Substance or Nutrient or if the conduct of the Lessee's business will cause there to be any Hazardous Substances, Toxic Substances or Nutrients upon the Lands or the Premises notwithstanding any rule of law to the contrary, such Hazardous Substance, Toxic Substance or Nutrient will be and remain the sole and exclusive property of the Lessee and will not become the property of the Lessor notwithstanding the degree of fixation of the Hazardous Substance, Toxic Substance or Nutrient or the goods containing the Hazardous Substance, Toxic Substance or Nutrient to the Premises and notwithstanding the expiry or earlier termination of this Lease.

**21. SURVIVAL OF OBLIGATIONS**

- 21.1 The obligations of the Lessee pursuant to Articles 17, 18, 19 and 20 will survive the expiry of this Lease, save only that, to the extent that the performance of these obligations requires access to or entry upon the Premises or any part thereof after the expiration of this Lease, the Lessee will be afforded reasonable entry and access for purposes at such times and upon such terms and conditions as the First Nation Council may from time to time reasonably specify in writing. If the Lessee, despite being afforded reasonable opportunities to perform such obligations, fails to do so, the Lessor may, at the Lessee's expense, by the Lessor's officers, employees, agents or contractors and subcontractors, undertake the performance of any necessary work in order to complete such obligations of the Lessee, but having commenced such work, the Lessor will have no obligation to the Lessee to complete such work.

**22. ALTERATIONS AND ADDITIONS**

- 22.1 The Lessee will not erect Improvements, alter, remove, add to, replace, or make substitutions for the Improvements except in compliance with Applicable Laws.

**23. NEW IMPROVEMENTS**

- 23.1 The Lessee will not construct any new buildings, structures or other Improvements on, under or above the Lands except in compliance with Applicable Laws.

**24. REPAIR OF PREMISES**

- 24.1 The Lessee will be solely responsible, in compliance with Applicable Laws, for the erection of any Improvements on the Lands and for the condition, operation, repair, replacement, maintenance and management of the Premises, subject to reasonable wear and tear

**25. SIGNS**

- 25.1 The Lessee will have the right, to erect or exhibit signage, in accordance with Applicable Laws, in and about any portion of the Premises in conjunction with any lawful purpose described or contemplated in Article 4

**26. LIABILITY INSURANCE**

- 26.1 The Lessee will forthwith effect and maintain at its expense and in a form reasonably acceptable to the Lessor, comprehensive general liability insurance with the Lessor named as an additional insured.
- 26.2 The liability insurance will provide protection in an amount of not less than \$5,000,000.00 for any one occurrence or to such other reasonable amount as the Lessor may notify the Lessee in writing from time to time.

**27. PROPERTY INSURANCE**

- 27.1 The Lessee, acting reasonably, will effect and maintain at its expense throughout the Term "all risks" property insurance in a form reasonably acceptable to the Lessor insuring the Improvements against loss or damage by fire and other perils from time to time included in such policies offering similar properties in British Columbia as would be insured against by a prudent owner.
- 27.2 Where the Lessee subleases a portion of the Lands to a Sublessee then the Lessee shall cause the Sublessee or the Owner Association to take out and maintain, for the term of the Sublease:
- (a) liability insurance similar to that described in Section 26.1, with the Lessee and the Lessor named as an additional insureds;
  - (b) property insurance with respect to any Improvements that are constructed on the Lands that are the subject of the Sublease, similar to that described in Section 27.1

**28. INSURANCE PROVISIONS**

- 28.1 Every insurance policy required under this Lease will, to the extent that it is obtainable, contain an agreement by the insurer that it will not cancel or substantially alter the policy without first giving the insureds at least 15 days prior written notice.
- 28.2 Notwithstanding the foregoing all insurance obligations of the Lessee shall be waived during such time as title to the Lands is held by CMHC in the event that it has granted or insured a mortgage and subsequently acquired title to the Lands by reason of the default of the Lessee.

**29. INSURANCE VALIDATION**

- 29.1 The Lessee will not do, permit or suffer anything to be done at or on the Premises which might cause any policy of insurance required by this Lease to be invalidated or cancelled, and the Lessee will comply forthwith with every lawful notice in writing from

the First Nation Council or any insurer requiring the execution of works or discontinuance of any use of the Premises in order to avoid invalidation or cancellation of any insurance.

- 29.2 The Lessee will, upon request, deliver certificates of the insurance evidencing every policy of insurance that is required by this Lease immediately after the insurance is effected and will, upon written request, deliver a certificate of renewal that the insurance has been renewed or replaced at least ten (10) days before the expiry of any policy of insurance in force.
- 29.3 The Lessee will, upon written request, deliver a copy of every insurance policy taken out by the Lessee with respect to the Premises.

### **30. REINSTATEMENT OF DAMAGED PREMISES**

- 30.1 Where the Lessee determines to restore or repair damage to the Premises, such restoration or repair will be carried out in good and workmanlike manner and with reasonable diligence and in compliance with Applicable Laws.
- 30.2 The Lessee, prior to commencing any work of restoring, rebuilding or replacing the Improvements, in whole or in part, will remove or screen unsightly rubble and debris resulting from damage or destruction and will keep the Lands in safe and secure condition. If the Lessee fails to perform such obligations in any material respect, the Lessor may, at the Lessee's expense, by the Lessor's officers, employees, agents or contractors and subcontractors, undertake the performance of any necessary work in order to complete such obligations of the Lessee, but having commenced such work, the Lessor will have no obligation to the Lessee to complete such work.

### **31. BUILDINGS, FIXTURES AND CHATTELS**

- 31.1 Ownership of any Improvements made upon or to the Lands by or for the Lessee will vest in the Lessee or any Sublessee, as the case may be, for and during the Term, notwithstanding any rule or law to the contrary. Notwithstanding the foregoing, the Lessor will be entitled, on written notice to the Lessee delivered prior to the commencement of the last year of the Term, to require the Lessee to remove some or all its Improvements from the Lands upon expiry of the Term and leave the Lands in a clean and safe condition.
- 31.2 The Lessee will pay all costs and expenses incurred in the removal and disposal of the Improvements and in making good all damage caused to the Lands by the removal thereof forthwith upon demand. The Lessor will not be responsible to the Lessee or any Sublessee for any loss suffered by the Lessee or any Sublessee as a result of the removal or the disposal of any Improvements, moveable goods, chattels or tenant's fixtures and Improvements which the Lessee fails to remove in accordance herewith.

### **32. INDEMNITY**

- 32.1 The Lessee will indemnify and save harmless the Lessor, its Chief, councilors, officers, employees, agents or contractors, against and from all liability, loss, costs, claims, demands, expenses, actions, damages, suits and other proceedings arising out of or related to any breach of a Lessee's covenant or for personal injury, death or property

damage or loss arising out of or related to any act or omission of the Lessee, its officers, employees or agents or any person for whom the Lessee is responsible.

**33. QUIET ENJOYMENT**

33.1 The Lessee, by paying the Rent, may peaceably and quietly possess, hold and enjoy the Lands during the Term without any interruption or disturbance by the Lessor or anyone claiming by or through it.

**34. DEFAULT**

34.1 Subject always to Section 8.1, if the Lessee is in default hereunder then the Lessor may give the Lessee notice of such default.

34.2 If the Lessor gives the Lessee notice of default under Section 34.1 and either:

- (a) the default is reasonably capable of being cured within sixty (60) days after the notice is given and the Lessee fails to cure the default within the sixty (60) days; or
- (b) the default is not reasonably capable of being cured within sixty (60) days after the notice is given and the Lessee fails to commence to cure the default with reasonable diligence upon receipt of the notice and to proceed to cure it with reasonable diligence to completion;

then, subject to the provisions of this Article 34 and to the rights of the parties under Article 48, the Lessor may take such action as provided in Section 34.6.

34.3 No notice to the Lessee hereunder will be valid for any purpose unless and until a copy of such notice is also given to each Approved Mortgagee and the Owner Association. The copy of such notice may be given to the Approved Mortgagee and the Owner Association at the address specified by them and otherwise on the same terms and conditions as applicable to notices referred to in Article 49.

34.4 Any curing of a default by an Approved Mortgagee, Owner Association or any Sublessee will be construed as curing of that default by the Lessee.

34.5 If any disagreement arises as to the occurrence or subsistence of a default hereunder or whether the curing of any such default is promptly commenced, has been substantially completed or is proceeding with reasonable diligence, and without limiting any other remedies or relief that might be available to the Lessee, an Approved Mortgagee or a Sublessee in accordance herewith or at law, the question may be dealt with in accordance with Article 48 of this Lease.

34.6 The Lessor acknowledges that in consideration of the Rent, the Lessor will only be able to seek recourse in respect of alleged default by the Lessee hereunder by way of a claim in law against the Lessee for debt or damages, as the case may be, which claim may be dealt with in accordance with Article 48 or by way of an order of a court of competent jurisdiction restraining continuing breach, and has no right to cancel or terminate this Lease.

**35. PERFORMANCE OF COVENANTS**

- 35.1 All agreements, terms, conditions, provisos, duties and obligations to be performed or observed by the Lessee under this Lease will be deemed to be Lessee's covenants and all the Lessee's covenants in this Lease are made with the Lessor for the Lessee and for its successors and assigns. Without limiting any other remedy of the Lessor under this Lease, the Lessor may request the Lessee in writing to perform the covenant, and if the Lessee does not perform it within thirty (30) days of such order the Lessor may but will not be obligated to do whatever is reasonably necessary to perform it. The Lessee will pay to the Lessor any cost or expense reasonably incurred by the Lessor in performing the covenant forthwith upon demand by the Lessor.
- 35.2 The Lessee will provide the Lessor, its officers, employees, agents, contractors and subcontractors, with and without vehicles and equipment, convenient access to the Premises at all reasonable times on reasonable prior written notice, except in the case of an emergency, for the purposes of viewing the Premises and otherwise determining that the Lessee's covenants are being duly observed and performed. The Lessee may require that a representative of the Lessee be present.
- 35.3 The Lessee will also provide the Lessor, its officers, employees, agents, contractors and subcontractors with and without vehicles and equipment all reasonable and necessary access to the Premises for the purpose of performing the Lessee's covenants pursuant to Section 35.1.

**36. PAYMENTS PAID BY LESSOR**

- 36.1 If at any time before or after the expiration of the Lease the Lessor suffers or incurs any damage, loss or expense by reason of any failure of the Lessee to perform or observe any of the Lessee's covenants or makes any payment for which the Lessee is liable under this Lease, or if the Lessor is compelled or, acting reasonably, elects to incur any expense including legal fees in instituting, prosecuting or defending any action or proceeding instituted by reason of any default of the Lessee under this Lease (including any action or proceeding against the Lessee) and succeeds in establishing such default, then in every such case the amount of damage, loss, expense or payment (including reasonable legal fees), together with interest as provided in Section 37.1, will be paid by the Lessee to the Lessor forthwith on demand.

**37. ARREARS TO BEAR INTEREST**

- 37.1 If any sum owing by the Lessee to the Lessor under this Lease is not paid within thirty (30) days from the date on which it is due then it will bear interest at the Prime Rate in effect from time to time plus 5% per annum from the date the sum is due until the date of the payment by the Lessee, but this stipulation for interest will not prejudice or affect any other remedies of the Lessor under this Lease or otherwise, or be construed to relieve the Lessee from any default.

**38. REMEDIES CUMULATIVE**

- 38.1 All rights and remedies of the Lessor are cumulative and are in addition to and do not exclude any other right or remedy provided in this Lease.

38.2 All rights and remedies of the Lessor may be exercised concurrently.

**39. SURRENDER OF POSSESSION**

39.1 Subject to Article 31, when the Term expires or otherwise ends, the Lessee will peaceably surrender the Lands and the Improvements, as applicable, as provided in this Lease.

**40. HOLDING OVER**

40.1 If the Lessee continues in possession of the Premises after the expiry of the full Term, notwithstanding any payment of Rent, the Lessee will be considered a tenant from month to month.

40.2 The month to month tenancy referred to in Section 40.1 will be subject to all the terms and conditions of this Lease except as they are inapplicable to the tenancy from month to month and rent shall be at fair market value.

**41. NET LEASE**

41.1 This Lease is to be a completely carefree net lease and notwithstanding anything in this Lease to the contrary the Lessor is not to be responsible during the Term for any costs, charges, expenses or outlays of any nature in respect of the Premises.

**42. WARRANTIES**

42.1 The Lessor warrants that there is satisfactory access to the Premises by public or private road or right of way and the Lessee's obligations hereunder are subject to such access remaining available during the Term.

42.2 The Lessor acknowledges that the Lessee is leasing the Lands to the Lessee on the basis that they are capable for development pursuant to the Lessee's intended use and to the best of the Lessor's knowledge there are no environmental, heritage or cultural prohibitions to such development.

**43. CERTIFICATE OF STATUS**

43.1 The Lessor will from time to time, upon not less than 15 days prior request by the Lessee or an Approved Mortgagee, execute and deliver a statement in writing certifying:

- (a) that this Lease is unmodified and in full force and effect or if modified, identifying such modifications and confirming that the Lease is in full force and effect as modified;
- (b) that the Lessee is not in default of any provision of this Lease, or if in default, the particulars thereof; and

any other matters related to this Lease as may be reasonably requested.

**44. OTHER ENCUMBRANCES**

- 44.1 The Lessor authorizes the granting of or will execute and deliver any easement, right of way or similar charge over the Lands as may be reasonably required by any public utility or approving authority to enable the Lessee to develop or redevelop the Lands for any lawful purpose provided that the Lessee will reimburse the Lessor for any reasonable expenses, including legal fees, incurred by the Lessor in order for it to comply with its obligation hereunder.
- 44.2 The Lessor may, with the prior written consent of the Lessee, such consent not to be unreasonably withheld, during the Term and in connection with the installation and maintenance of water, sewage, heating, electricity, gas, telecommunication, cable, security or other utility or service systems which may be required by the Lessor to service lands adjacent to or proximate to the Lands, grant licenses, easements or rights of way in the lands or any part thereof to any public utility or other entity providing the utility or service on terms and in a form acceptable to the Lessee. At the request of the Lessor, the Lessee will promptly execute and deliver to the Lessor any instrument that may be necessary to subordinate the Lessee's right and interest in the Premises to the charge referred to in this section.

**45. HIRING PRACTICES**

- 45.1 The Lessee will hire as many members of the First Nation as is reasonably possible for provision of services to be performed in connection with its development activities on the Lands provided that such employees and contractors must be as equally qualified as other available market labour to perform their responsibilities required for the proper fulfilment of the positions being sought by them and further provided that the Lessee shall not be required to pay in excess of market rates for any such services.

**46. HEADINGS**

- 46.1 All headings in this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit, enlarge, modify or explain the scope or meaning of the Lease or any of its provisions.
- 46.2 Any reference in this Lease to an Article or Section will mean an Article or Section of this Lease unless otherwise expressly provided.
- 46.3 Any reference in this Lease to Lessee's covenants will be deemed to include all terms and conditions to be performed or observed by the Lessee under this Lease.

**47. AMENDMENTS**

- 47.1 This Lease constitutes the entire agreement between the Parties with respect to the subject matter of this Lease and no modification, or waiver of any provision of the Lease will be inferred from anything done or omitted by either of the Parties except by an express waiver in writing duly executed by the respective Party.

- 47.2 No condoning, excusing or overlooking by the Lessor of any default by the Lessee at any time or times in performing or observing any of the Lessee's covenants will operate as a waiver of or otherwise affect the rights of the Lessor in respect of any continuing or subsequent default and no waiver of these rights will be inferred from anything done or omitted by the Lessor except by an express waiver in writing.

**48. ARBITRATION**

- 48.1 Should there be a disagreement or dispute between the Parties with respect to any matter under this Agreement or the interpretation thereof, the same may be referred jointly by the Parties to a single arbitrator pursuant to the *Arbitration Act* of British Columbia and any amendments thereto and the determination of such arbitrator will be final and binding upon the Parties.
- 48.2 The party requiring arbitration or any other dispute resolution process shall give timely notice of all arbitration proceedings to the Owner Association and the Approved Mortgagee and the Approved Mortgagee may participate fully in the proceedings, if in the Approved Mortgagee's reasonable opinion the outcome may affect its security, as may the Owner Association.

**49. NOTICE**

- 49.1 All notices under this Lease must be given in writing and delivered in accordance with this Article 49.
- 49.2 All notices will be delivered to the other Party and no notice will be effective until such delivery has been made.

The addresses for delivery are:

**To the Lessor:**

**TZEACHTEN FIRST NATION**  
As represented by its duly elected Council  
45855 Promontory Road, Chilliwack, BC V2R OH3

**To the Lessee:**

1172852 B.C. LTD.  
Suite 201 - 585 16<sup>th</sup> Street, West Vancouver, B.C. V7V 3R8

- 49.3 Notice will be deemed to have been delivered:
- (a) if delivered by hand, upon receipt;
  - (b) if sent by electronic transmission, the next business day after the day of transmission, excluding from the calculation weekends and holidays; or
  - (c) if sent by registered mail, four (4) days after the mailing thereof.

49.4 Either party may change the address shown in this agreement by informing the other Party of the new address, and such change will take effect fifteen (15) days after the notice is received.

**50. TIME OF THE ESSENCE**

50.1 Time is of the essence in this Lease.

**51. SEVERABILITY**

51.1 If any part of this Lease is declared or held invalid for any reason, the invalidity of that part will not affect the validity of the remainder which will continue in full force and effect and be construed as if this Lease had been executed without the invalid portion.

**52. ENUREMENT, PLURALITY AND GENDER**

52.1 This Lease will be for the benefit of and be binding upon the heirs, executors, administrators, successors, assigns and other legal representatives, as the case may be, of each of the Parties. Every reference in this Lease to any Party includes the heirs, executors, administrators, successors, assigns and other legal representatives of the Party.

52.2 Reference to a Party will be read as if all required changes in the singular and plural and all grammatical changes rendered necessary by gender had been made.

52.3 If a Party is comprised of more than one Person then all covenants and agreements of that Party will be deemed joint and several.

**53. NOT A JOINT VENTURE**

53.1 Nothing in this Lease will be construed as making the Lessor an agent, partner or joint venturer with the Lessee nor as creating any relationship between the Parties other than the relationship of lessor and lessee.

53.2 The Parties acknowledge that this Lease does not constitute an association for the purpose of establishing a partnership or joint venture and does not create an agency relationship between the Lessor and the Lessee.

**54. APPLICABLE LAWS**

54.1 This Lease is subject to and governed by the Land Code and all other Applicable Laws.

**55. OTHER ASSURANCES**

55.1 Each of the parties will execute and deliver such further and other documents and assurances as another party hereto may reasonably request to better carry out or document the intentions herein expressed.

**56. NO OTHER AGREEMENTS BIND THE LANDS**

56.1 The Lessor covenants with the Lessee that it is the sole lawful possessor of the Lands and that this Lease will not violate any agreement with any person who has, or will have, an interest in the Lands or any portion thereof.

**57. AUTHORITY TO LEASE**

57.1 The Lessor covenants that it has good right, full power and authority to lease the Lands to the Lessee and grant the leasehold estate in the manner and according to the true intent of this Lease.

**58. EXPROPRIATION**

58.1 If, at any time during the term of the Lease, any public body or paramount authority shall take or expropriate the whole or a portion of the Premises, then the Lessor and the Lessee may exercise fully all rights, remedies and claims for compensation which each may have under applicable legislation. The Lessor and Lessee shall inform each other fully of the claims for compensation made by each of them in the event of any expropriation, shall not claim compensation on any basis inconsistent with this Lease, and shall afford reasonable cooperation with each other in the prosecution of any proper separate claims. The Lessor and Lessee shall co-operate with each other regarding any expropriation of the Lands or any part thereof so that each receives the maximum award to which it is entitled at law.

THIS LEASE is executed by the parties effective June 1, 2019.

**TZEACHTEN FIRST NATION**

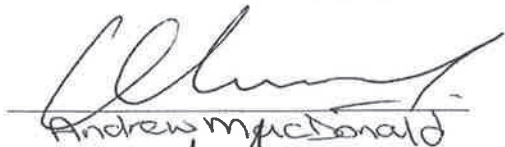
By its ~~Chief~~:



LOREN MUTH, COUNCILLOR

1172852 B.C. LTD.

by its authorized signatory(ies):

  
Andrew McDonald  
Mark Perry

**Andmar**

Exhibit C

Sublease

**ANDMAR RESIDENTIAL SUBLEASE AGREEMENT**

*PHASE ONE*

THIS SUBLEASE is effective the \_\_\_\_ day of \_\_\_\_\_, 202 .

AMONGST:

**ANDMAR DEVELOPMENT CORP.**, a body corporate duly incorporated pursuant to the laws of British Columbia with a registered and records office situate at Suite 201 – 585 16<sup>th</sup> Street, West Vancouver, British Columbia, V7V 3R8

(the "Sublessor")

OF THE FIRST PART

AND:

\*\*\*

as Joint Sublessees

(the "Sublessee")

OF THE SECOND PART

AND:

**ANDMAR HOMEOWNERS' CORP.**, a body corporate duly incorporated pursuant to the laws of the Province of British Columbia, with an office situate at Suite 201 – 585 16<sup>th</sup> Street, West Vancouver, B.C. V7V 3R8

(the "Homeowners' Corp. ")

OF THE THIRD PART

WHEREAS:

- A. **WHEREAS** the Sublessor leases the Property pursuant to the Head lease (defined herein) and is establishing or has established certain apartment like residential premises, as hereinafter defined, and the Sublessee has agreed to sublease a residential premises on the terms and conditions set forth in this Sublease.

- B. The Sublessee wishes to enter into this Sublease for a term commencing on the day this sublease is first written on page 1 of this Sublease and expiring on the 30<sup>th</sup> day of May, 2128 and as further described herein;
- C. The Sublessee is, or will become, a member of the Homeowners' Corp.;
- D. The Homeowners' Corp. has certain obligations in respect of the Common Areas and Common Facilities, and the Sublessee has certain obligations to the Homeowners' Corp. and
- E. The Development consists of two separate phases with Phase One consisting of both Commercial Building Units and Residential Units Phase Two consisting of only Residential Building Units all of which have some shared costs.

NOW THEREFORE THIS SUBLEASE WITNESSES that in consideration of the premises, the covenants, agreements, representations and warranties set out herein and other good and valuable consideration (the receipt and sufficiency of which is acknowledged), the Sublessor and the Sublessee covenant and agree as follows:

## 1. SCHEDULES

- Schedule A – Subdivision Plan
- Schedule B – Site Plan
- Schedule C – Subleased Premises
- Schedule D – Permits and Easements
- Schedule E - Schedule of Proportionate Share
- Schedule F -- Interest on Destruction
- Schedule G – Bylaws

## 2. DEFINITIONS

In this Sublease (including this Article) unless there is something in the subject matter or in the context inconsistent therewith, the following terms shall have the following meanings:

- (a) "Additional Rent" means the rent payable by the Sublessee pursuant to Article 4.1 (c) and any other monies owing hereunder by the Sublessee to the Sublessor other than Minimum Rent;
- (b) "Adjustment Date" means June 1 in each calendar year during the Term;
- (c) "Assessments" means the costs and levies assessed by the Homeowners' Corp. to the Sublessee, and payable by the Sublessee, pursuant to this Sublease;
- (d) "Band" means the Tzeachten First Nation being the owners of the title to the Property and Sublessor of the Head Lease;

(e) "Band Tax Cost" means the amount paid by the Sublessor for band taxes reduced by the amount of band taxes assessed against areas of the property which have not been improved by the Sublessor so as to be usable by Commercial Building Units or Residential Building Units. Such amount shall be calculated by multiplying the assessed value allocated to the land portion of band taxes in regard to the property by the percentage which the area of the unimproved lands is to the area of the property;

(f) "Band Taxes" means the aggregate of all taxes, rates, duties, assessments and charges, municipal realty taxes, water taxes, school taxes, and all other taxes, rates, duties, assessments, both general and special now imposed or which may hereafter be imposed, assessed or levied in respect of the property and the shopping centre and the buildings and improvements situate therein or thereon by the band or by any municipal, provincial, federal, school or other competent authority, including frontage taxes, business taxes (if any) charged on the common areas and including machinery taxes as charged on the common facilities and including any tax imposed on the capital invested in the property and the shopping centre, but not including business taxes charged on the Subleased Premises, income tax assessed against the landlord, corporation capital tax assessed against the Sublessor or any penalty imposed or interest charged on late or deficient instalments;

(g) "Base Cost Amount" means the cost determined pursuant to Article 4.1 (a) and throughout this Sublease shall be used synonymously with the word Rent;

(h) "Base Monthly Costs" means the cost pursuant to Article 4.1 (b) and throughout this Sublease shall be used synonymously with the word Rent ;

(i) "Base Operating Costs" mean the costs determined pursuant to Article 4.1 (c);

(j) "Building Units" means commercial or residential Units that are constructed on a Lot;

(k) "Bylaws" means the bylaws approved from time to time by the Sublessor or the Homeowners' Corp., governing the use of the Subleased Premises and the Lands (including the Common Areas and the Common Facilities) by the Sublessee;

(l) "CEAA" means the Canadian Environmental Assessment Act, R.S.C. 1992, c. 37, and any regulations made pursuant to it, all as amended or replaced from time to time;

(m) "CEPA" means the Canadian Environmental Protection Act, R.S.C. 1985, c. C-15.3, and any regulations made pursuant to it, all as amended or replaced from time to time;

(n) "Capital Expenses" means all expenses relating to replacements and repairs which are properly chargeable in accordance with Canadian accounting standards for private enterprises as opposed to operating expenses, including, without limiting the generality of the foregoing, replacement of mechanical, plumbing and electrical machinery, systems and equipment and heating, ventilating and air-conditioning machinery, systems and equipment repairs to foundations, walls, floors, roofs and other structural elements;

(o) "CMHC means Canada Mortgage and Housing Corporation;

(p) "Commencement Date" means the date this sublease is registered in the Registry;

(q) "Commercial Building Unit" is a Building Unit intended to be subleased for commercial purposes;

(r) "Commercial Sublessee" means a Sublessee who renting a Unit in a Commercial Building Lot and is the Tenant of the Sublessor;

(s) "Commercial Unit" is a commercial unit subleased in a Commercial Building Unit;

(t) "Common Areas" means those areas of the Development designated as common areas on any plan of subdivision or consolidation plan for the common or joint use or benefit of the Commercial Building Units and the Residential Building Units or areas that are designated by the Sublessor as common areas or such common areas that may be designated by the Homeowners' Corp. within a Residential Building Unit, which designation, other than the designations on a plan of subdivision or a consolidation plan, may be changed by the Sublessor or Homeowners' Corp. from time to time, including but not limited to landscaped areas, parking areas, roadways and sidewalks;

(u) "Common Costs" means the total of the costs and expenses (without duplication) incurred by the Sublessor or the Homeowners' Corp. to operate, manage, insure, repair, maintain the Residential Building Units (including the Common Areas and the Common Facilities which are exclusive to the Residential Building Units only in one or more phases of the Development), including without limitation:

- (i) all costs and expenses to repair, maintain, replace and decorate the Common Areas and the Common Facilities;
- (ii) the Cost of Insurance;

- (iii) the Tax Cost (not paid directly by the Sublessee for Band Taxes assessed against his/her/its Unit);
- (iv) all costs and expenses for gardening and landscaping, line painting and repainting, rental of equipment, garbage removal, sanitary control or removal, snow removal and cleaning of Common Areas and the Common Facilities;
- (v) wages and other amounts paid for maintenance, security and operating personnel;
- (vi) all accounting and other professional fees, costs and expenses relating to the operation, management, insurance, repair, maintenance and replacement of the Common Areas and the Common Facilities;
- (vii) all costs of utilities, taxes and other amounts payable in connection with the Common Areas and the Common Facilities,

together with a contingency reserve fund for each Lease Year as determined by the Homeowners' Corp., but not less than ten percent (10%) of the costs and expenses described in 2.1 (o) and 2.1 (kk).

(v) "Common Facilities" means those facilities within the Development that are designated on any plans or by the Sublessor. as common facilities, which designation may be changed by the Sublessor from time to time, including but not limited to roads, electrical and mechanical systems, drainage and sewer systems, waterworks, fire prevention, security systems fencing, lamp standards, and all other facilities which are provided by the Sublessor for the common use and benefit of the occupants of the Commercial Building Units and the Residential Building Units, together or solely for the use on the Residential Building Units as described in the definition of Common Costs above;

(w) "Cost of Insurance" means the cost to the Sublessor or the Homeowners Corp. of providing and maintaining the insurance to be provided by it pursuant to this Sublease;

(x) "Commercial Building Unit" means a Building Unit that is subleased by a commercial Sublessee;

(y) "Commercial Sections" has the meaning as described in Article 5;

(z) "CPI Adjustment" means the percentage calculated by the following formula:

$$\frac{A - B}{B} \times 100\%$$

where:

A equals the CPI for the month of December immediately preceding the Adjustment Date, and

B equals the CPI for the month of December that is one year prior to the month of December used in determining the above.

At the date of this Sublease, the base year for determining CPI is 2002. Where during the Term the base year for CPI changes, the CPI Adjustment shall be calculated using consistent base years;

(aa) "Development" means the Lands, together with the buildings, improvements and facilities thereon from time to time, consisting of Commercial Building Units or Residential Building Units together with any Common Areas which may be created by the subdivision or consolidation of the Lands or designated as Common Areas by the Sublessor and any land or right to use land held by the Sublessor for use by one or more Sublessees of Commercial Building Units or Residential Building Units;

(bb) "Environment" means all the components of the earth including, without limitation, all layers of the atmosphere, air, land (including, without limitation, all underground spaces and cavities and all lands submerged under water), soil, water (including, without limitation, surface and underground water), organic and inorganic matter and living organisms, the interacting natural systems that include the foregoing and all other external conditions or influences under which humans, animals and plants live or are developed;

(cc) "Environmental Laws" means any Laws relating, in whole or in part, to the protection and enhancement of the Environment, occupational safety, product liability, public health, public safety, and transportation of dangerous goods; and decision and any specifications, mitigative measures and environmental protection measures described or contained, or referred to, in any decision under CEAA pertaining to any project (as that term is used in CEAA) on the Lands;

(dd) "Event of Default" means any of the events of default described in Section 22.1 of this Sublease;

(ee) "Force Majeure" means any delay of the performance of any covenant or agreement of a party hereto due to a condition or cause beyond the reasonable control of the party obligated to perform, including a labour dispute, but not to include insolvency, lack of funds or other financial cause;

(ff) "Governmental Authority" means any federal, provincial, city, municipal, county, regional, or local government or government authority, the Band and includes any department, commission, bureau, board, administrative agency, or regulatory body of any of the foregoing;

(gg) "Hazardous Substances" means:

- (i) any pollutants, wastes, special wastes or other such substances, including, without limitation, any flammables, explosives, radioactive materials, asbestos, polychlorinated biphenyls, chlorofluorocarbons, hydrochlorofluorocarbons, urea formaldehyde foam insulation, radon gas, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances (as that term is used in CEPA) or related materials, nutrients (as that term is used in CEPA) and petroleum and petroleum products, and any substance declared to be hazardous or toxic under any Environmental Laws; and
- (ii) any substances, whether or not defined as hazardous, toxic, or a threat to public health or the Environment under any Environmental Laws, that the Lessor or the Homeowners Corp. reasonably deem to be hazardous;

(hh) "**Head Lease**" means, collectively, the lease of the Property dated the 1<sup>st</sup> day of June 2019 between the Band as Sublessor and the Landlord, as Sublessee of the following lands and premises:

Lot 381, CLSR Plan 107517, Tzeachten No. 13 and

Lot 382, CLSR Plan 107517, Tzeachten No. 13;

(the "Lands")

(ii) "Her Majesty" means Her Majesty the Queen in Right of Canada, as represented by the Minister of Indian Affairs & Northern Development

(jj) "Homeowners' Corp." means Andmar Homeowners' Corp.;

(kk) "Home" means a Residential Unit within one of the apartment buildings in the Development intended for occupation by an individual as a place of residence or lodging;

(ll) "Implied Easement" means the easements described in \*\*\*(  
(

(mm) "Indian Act" means the Indian Act, R.S.C. 1985, c. 1.5, and regulations made thereunder, as amended, replaced or re-enacted from time to time, and any reference to a section of the Act will include that section as amended, replaced or re-enacted from time to time;

(nn) "Interest on Damage or Destruction" means the interest of the Sublessee in the event of damage or destruction as described in Schedule "F" to this Sublease, which may be amended from time to time by the Sublessor;

- (oo) "Internal Budget Items" has the meaning as described in Article 5.2;
- (pp) "Implied Easement" means the implied easement described in Article 8;
- (qq) "Lands" means those lands situate on Tzeacthen Indian Reserve No. 13 more particularly described in 2.1 (z) and subdivided into Commercial Building Units and Residential Building Units pursuant to the draft subdivision plan attached as Schedule "A" hereto which includes without limitation any premises subleased to Commercial Tenants and Residential Sublessees, the Common Areas and the Common Facilities;
- (rr) "Lessor means the Lessor under the Head Lease;
- (ss) "Lot" means the surveyed lot on which Building Units are constructed;
- (tt) "Operating Costs" means twenty percent of the total cost, without duplication, of the following expenses incurred by the Sublessor for operating, maintaining, on site managing and repairing the Common Facilities, and the Common Area of the Development consisting of the shared areas for both the Commercial Building Units and Residential Building Units exclusive of the Common Costs for the Residential Building Units:
- (i) the cost of repairs, maintenance and replacements of the Common Area and the Common Facilities accessible and for the use of both Commercial Building Units and Residential Building Units and which do not benefit only the Commercial Building Units and which are charged in accordance with generally accepted accounting principles relating to mechanical, plumbing, electrical systems and equipment as well as parking surfaces and roof systems, other than those expenses, or those portions of such expenses incurred by the Sublessor from time to time which are Capital Expenses and repairs and maintenance which are the responsibility of the Landlord,
  - (ii) the expenses paid by the Sublessor for Common Areas only for gardening and landscaping, line repainting, rental of equipment, lighting and the removal of snow and ice,
  - (iii) wages paid for maintenance personnel, including payments for workers' compensation, unemployment insurance, vacation pay, Canada Pension Plan and other normal fringe benefits whether statutory or otherwise but only for Common Areas only and if the personnel carry out services for other than Common Areas only in such proportion as the Lessor, acting reasonably, determines is for the Common Areas,

- (iv) the cost of uniforms and equipment furnished to such personnel in such proportion as the Lessor, acting reasonably, determines is for the Common Area share,
  - (v) the cost of electricity, gas, water and other like services and utilities reasonably and equitably attributable to the Common Area and Common Facilities which are for the use of both the Commercial Building Units and the Residential Building Units;
  - (vi) management fees as they relate only to Common Areas as the Lessor may reasonably determine;
  - (vii) cost of insurance which the Sublessor may allocated to the Common Areas and Common Facilities;
  - (viii) accounting fees, legal fees, professional consultants fees specifically required for the administration and management of the Development;
  - (ix) the cost for parking maintenance for the surface and underground parking except for maintenance of the underground parking that is dedicated solely for the use of the Residential Building Units.
  - (x) water and sewer for the Development;
  - (xi) Property management fees; and
  - (xii) Security, security monitoring equipment and monitoring costs for Common Areas in the Development;
  - (xiii) Band taxes assessed on common areas in the Development;
  - (xiv) Common area utilities for the Development;
  - (xv) All costs of supplies and equipment required for the administration and management of the Common Areas of the Development; and
  - (xvi) such other direct or indirect costs of reasonably associated with the cost of operating the Common Areas of the Development as are reasonable for developments of a similar nature whether located on or off a First Nations reserve.
- (uu) "Permits" means a permit, if any, issued pursuant to sections 9.19 and 9.21 of the TFN's Land Code, April 24, 2008, as amended or replaced from time to time;
- (vv) "Phase One" means the development of Lots 800, 802 , 803 805, 806 & 807 as depicted on Schedule" B";

(ww) "Phase Two" means the development of Lots 809, 810, 812 & 813 as depicted on Schedule "B";

(xx) "Property Easement" means any easement(s) that may be required to be registered by the Developer in the course of construction of the Development;

(yy) "Proportionate Share" means:

- (a) For Common Costs a calculation based on the square footage of habitable area of each Residential Unit as it compares to the square footage of all Residential Units anticipated to be built in Phase One; and
- (b) For Operating Costs a calculation based on the square footage of habitable area of each Residential Unit as it compares to the square footage of every Residential Unit completed in Phase One and Phase Two of the Development.
- (c) The estimated Proportionate Share numbers for both Common Costs exclusive to the Residential Building Units and Operating Costs common to both Commercial Building Units and Residential Units are set out in Schedule "E" to this Sublease, as they may be amended or replaced from time to time by the Sublessor.

(zz) "Release" includes releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping;

(aaa) "Rent" throughout this sublease has the same meaning as Rental;

(bbb) "Rental" means collectively the Base Cost Amount, Base Monthly Costs and Additional Rent;

(ccc) "Residential Phase One" means all of the Residential Building Units in Phase One;

(ddd) "Residential Phase Two" means all of the Residential Building Units in Phase Two;

(eee) "Residential Building Unit" is a Building Unit that is intended to be subleased for residential purposes;

(fff) "Residential Unit" means a residential unit in any Residential Building Unit;

(ggg) "Residential Sections" has the meaning described in Article 5;

(hhh) "Residential Sublessee" means a Sublessee who has purchased a Residential Sublease in the Development;

(iii) "Site Plan" means the site plan of the Property attached hereto as Schedule "B";

(jjj) "Separate Commercial Section" has the meaning as described in Article 5;

(kkk) "Sublease" means this Sublease and the Schedules attached hereto, together with the Bylaws made time to time by the Sublessor or Andmar Homeowners' Corp and/or Andmar Homeowners' Corp. #2;

(lll) "Sublessee" means the person named on page I of this Sublease, and if the Sublessee so named assigns its interest in this Sublease, the assignee from time to time shall be the Sublessee;

(mmm) "Sublessees" means the Sublessee and any other sublessees of part of the Lands;

(nnn) "Sublessor" means the person so named on page 1 of this Sublease, and if the Sublessor so named assigns its interest in this Sublessee, the assignee from time to time shall be the Sublessor;

(ooo) "Subleased Premises" means the Residential Unit identified on Schedule "C";

(ppp) "Sections" means a Commercial Section and a Residential Section as described in Article 5

(qqq) "Tax Cost" means the total, without duplication, of all taxes, trade licenses, rates, levies, service fees and charges, duties and assessments levied or imposed on or in respect of the Common Areas and Common Facilities, or the Subleased Premises, by any competent authority, including without limitation any utilities, service fees or charges and levied from time to time by competent authorities;

(rrr) "Taxing Authority" means the Band and any duly constituted government authority whether federal, provincial, municipal or otherwise legally empowered to impose taxes, rates, assessments or charges on, upon or in respect of the Residential Building Units;

(sss) "Term" means the term of this Sublease commencing on the day this sublease is first written on page 1 of this Sublease and expiring on the 30<sup>th</sup> day of May, 2128, unless earlier terminated pursuant to this Sublease;

(ttt) "TFN" means Tzeachten First Nation;

(uuu) “Unit” means a Residential Unit within a Residential Building Unit in any phase of the Development intended for occupation by an individual as a place of residence or lodging

### 3. DEMISE AND TERM

3.1 Demise - Subject to the terms and conditions set out in this Sublease, the Sublessor does hereby demise and sublease unto the Sublessee the Subleased Premises to have and to hold for and during the Term unless sooner terminated as herein provided, together with:

- (a) the right to use any Limited Common Areas and Facilities set aside by the Sublessor for the use of the Sublessee or a group of Sublessees including the Sublessee, which use shall be on the terms and conditions established by the Sublessor; and
- (b) the right in common with the other Commercial Sublessees or Residential Sublessees in the Development, the Sublessor, and their respective employees, agents, contractors and other invitees to the non-exclusive use of the Common Areas and Common Facilities, subject to the terms and conditions contained in this Sublease.

### 4. RENT AND COMMON COSTS

4.1 Rent - The Sublessee covenants and agrees to pay to the Sublessor, or as the Sublessor may in writing direct, in lawful money of Canada, without any claim, setoff, compensation or deduction whatsoever, the aggregate of the following sums:

- (a) \$ \_\_\_\_\_ in respect of each year of the Term prepaid and payable in advance on the date of this Sublease; (“Base Cost Amount”)
- (b) Subject to the provisions of Article 29 Base Monthly Costs of \$75.00 per month payable on the first day of each month of the Term, (“Base Monthly Costs”) commencing on January 1, 2030 to be adjusted as follows:
  - (i) subject to an annual adjustment, to be made on each Adjustment Date commencing January 1, 2031 On each such Adjustment Date Base Monthly Costs shall be increased or decreased, as the case may be, from Base Monthly Costs payable immediately before such adjustment, by the greater of one percent (1%) or an amount equal to the CPI Adjustment; and
- (c) Additional Rent, and subject to Article 20, in an amount equal to the Sublessee’s Proportionate Share for the duration of the Term of the aggregate of Common Costs and Operating Costs together with such value added, sales,

goods and services or other taxes, if any, that may be payable in respect of the Additional Rent, including without limitation taxes pursuant to the Excise Tax Act, R.S.C. 1985, C.E-13, or any other federal, provincial enactment or any TFN enactment, if any, that may be applicable to the payment of Rent. Any purported set-off, withholding or deduction of Base Monthly Costs (after January 1, 2030) or Additional Rent by the Sublessee shall be deemed to be a breach of this Sublease, and entitle the Sublessor, at its option, to exercise any right or remedy available to it pursuant to this Sublease or at law. The Sublessee will have no right to a refund of, and the Sublessor will not be liable to the Sublessee for refunding, any Base Cost Amount or Base Monthly Cost in the event of the termination of this Sublease.

4.2 Common Costs - The Common Costs for each Lease Year shall be estimated by the Homeowners' Corp. and/or the Sublessor and communicated to the Sublessee. The Homeowners' Corp. and/or the Sublessor shall have the right at any time during any Lease Year to adjust the budget for the Common Costs for such Lease Year or to allocate specific Common Costs, in whole or in part, to the Sublessee based on a determination by the Homeowners' Corp. and/or the Sublessor that the Sublessee is solely or partially responsible for such costs, in which event the amount payable by the Sublessee as its Proportionate Share of the Common Costs shall be adjusted accordingly. The Homeowners' Corp. and/or the Sublessor reserves the right to estimate, bill, re-estimate and collect Common Costs to the extent such Common Costs have not been charged by the Homeowners' Corp. and/or the Sublessor or paid by the Sublessee to the Homeowners' Corp., and if the Sublessor bills the Sublessee for the Sublessee's Proportionate Share of such Common Costs, the Sublessee shall forthwith pay such amount to the Sublessor as Additional Rent.

4.2 A Operating Costs - The Operating Costs for each Lease Year shall be estimated by the Homeowners' Corp. and/or the Sublessor and communicated to the Sublessee. The Homeowners' Corp. and/or the Sublessor shall have the right at any time during any Sublease Year to adjust the budget for the Operating Costs for such Sublease Year or to allocate specific Operating Costs, in whole or in part, to the Sublessee based on a determination by the Homeowners' Corp. and/or the Sublessor that the Sublessee is solely or partially responsible for such costs, in which event the amount payable by the Sublessee as its Proportionate Share of the Operating Costs shall be adjusted accordingly. The Homeowners' Corp. and/or the Sublessor reserves the right to estimate, bill, re-estimate and collect Operating Costs to the extent such Operating Costs have not been charged by the Homeowners' Corp., or paid by the Sublessee to the Homeowners' Corp., and if the Homeowners' Corp. bills the Sublessee for the Sublessee's Proportionate Share of such Operating Costs, the Sublessee shall forthwith pay such amount to the Homeowners' Corp. as Additional Rent.

4.3 Payment and Adjustments of Common Costs and Operating Costs - The Sublessee will pay his/her/its Proportionate Share of the estimated Common Costs and Operating Costs for each Sublease Year on a monthly basis in advance during each

Sublease Year. Within a reasonable time period following the end of each Sublease Year, the Homeowners' Corp. (or the Sublessor to the extent that the Sublessor bills the Sublessee for such costs) will advise the Sublessee in writing of the actual amount of the Common Costs and Operating Costs for the Sublease Year and the actual amount required to be paid as the Sublessee's Proportionate Share of the Common Costs and Operating Costs for the Sublease Year. In the event that the actual Common Costs and Operating Costs for such Sublease Year are less than the Common Costs and Operating Costs that had been estimated by the Homeowners' Corp. and/or the Sublessor, the overpayment by the Sublessee shall be applied to the Common Costs and/or Operating Costs payable to the Homeowners' Corp. or the Sublessor, as the case may be, for the next Sublease Year. In the event the actual Common Costs for such Sublease Year are greater than the Common Costs and Operating Costs that had been estimated by the Homeowners' Corp. and/or the Sublessor, the Homeowners' Corp. and/or the Sublessor shall have the right to either include the amounts in the Common Costs and Operating Costs for the upcoming Sublease Year or assess the Sublessees for the shortfall, and the Sublessee shall pay such additional amounts at the time or times required by the Homeowners' Corp. and/or the Sublessor.

4.4 Rental for Irregular Periods - All Rent shall be deemed to accrue from day to day and if for any reason it shall become necessary to calculate the Rent for irregular periods of less than one year or one month, as the case maybe, an appropriate pro rata adjustment shall be made on a daily basis in order to compute Rent for such irregular period.

4.5 Place of Payment - All payments required to be made to the Sublessor pursuant to this Sublease shall be made at the address of the Sublessor referenced to in Part 30 unless otherwise directed by the Sublessor. All payments required to be made to the Homeowners' Corp. pursuant to this Sublease shall be made at the address of the Homeowners' Corp. referred to in Part 30 unless otherwise directed by the Homeowners' Corp.. At the request of the Sublessor, or the Homeowners' Corp., the Sublessee shall establish an automatic pre-authorized payment plan that will be used to make payments due under this Sublease.

4.6 Late Payments – without limiting other remedies pursuant to this Sublease, any payment of Rent that is not received when due is subject to a late payment fee, as determined by the Sublessor or Homeowners' Corp., and the Sublessee agrees to pay such fee, on demand, as Additional Rent. The late payment fee shall not exceed the fee charged by the First West Credit Union, F1-156 200-19933 88<sup>th</sup> Avenue Langley, British Columbia, for NSF cheques. A certificate of an officer of such bank shall be conclusive evidence of such fee.

## 5. SECTIONS

5.1 The Commercial Building Units in Phase One will constitute one Commercial Section (the "Commercial Section"). The Residential Building Units in Phase One shall constitute one Residential Section (the "Residential Section") The Commercial Section and the Residential Section shall have their own separate annual budgets. The

commercial Section and the Residential Section shall have no shared costs except for Operating Cost as herein provided.

**5.2** The Homeowners' Corp., acting reasonably, shall annually prepare an internal budget for Common Costs and Operating Costs for the Residential Section, to be presented and approved by a quorum of Sublessees at an annual meeting of the Homeowners' Corp.

## 6. USE OF THE SUBLEASED PREMISES

6.1 Permitted Use - The Sublessee covenants with the Sublessor that it will only use the Subleased Premises for residential purposes (which includes the use of part of the Subleased Premises for a home office) and will not carry on, or permit to be carried on, on the Subleased Premises any activity which is deemed a nuisance by the Sublessor or which is illegal.

6.2 Exterior Appearance - The Sublessee covenants with the Sublessor that the Sublessee shall at all times abide by the Bylaws and in particular shall not do anything to or cause anything to be done or placed on the exterior of the Subleased Premises, including any limited common property, balconies or patios except as permitted by the Bylaws.

## 7. REPAIRS TO THE SUBLEASED PREMISES

7.1 Sublessee's Obligation to Repair - The Sublessee covenants with the Sublessor that it will at all times during the Term, at its own cost and expense, repair, renew, replace and maintain the Subleased Premises in good and Subleaseable condition in every respect as would a careful owner in possession. At the end of the Term or earlier termination of this Sublease, the Sublessee will deliver to the Sublessor vacant possession of the Subleased Premises in the condition which the Sublessee is required to maintain the Subleased Premises by the terms of this Sublease.

7.2 Sublessor's Right to Inspect - The Sublessor and/or the Homeowners' Corp. or any employee, agent or representative of the Sublessor and/or Homeowners' Corp. shall be entitled from time to time (upon reasonable notice, except in the case of an emergency when no notice is required) to enter and examine the state of maintenance, repair, decoration and order of the Subleased Premises, and the Sublessor and/or the Homeowners' Corp. may give notice to the Sublessee requiring the Sublessee to perform such maintenance or effect such repairs, replacements or decorations as may be found necessary from such examination. The failure of the Sublessor and/or the Homeowners' Corp. to inspect or provide notice shall not relieve the Sublessee from its obligations as set out in this Sublease and in particular its obligations set out in Section 6.1.

7.3 Sublessor's Right to Repair - The Sublessor and/or the Homeowners' Corp. or any employee, agent or representative shall be entitled from time to time (upon reasonable notice, except in the case of an emergency when no notice is required) to

enter the Subleased Premises to make such alterations or repairs as the Sublessor and/or the Homeowners' Corp. shall deem necessary for the safety, preservation, proper administration or improvement of the Subleased Premises or the Development (including the Common Areas and Common Facilities) or to ensure compliance with the laws and policies of the TFN.

## 8. IMPLIED EASEMENT

8.1 The sublessee acknowledges that the subleased premises are part of a mixed commercial and residential use development and accordingly there may be services in walls and ceilings that require repair in the future therefore for the purposes of this sublease therefore there exists an easement in favour of each Building Unit contained on the lot upon which the Building Units are contained:

A for each of the Building Units vertical and sideways support by the common property and by every other Building Unit capable of providing support;

- (i) for the passage or provision of water, sewage, drainage, gas, oil, electricity, garbage, heating and cooling systems and other services, including telephone, radio and television, through or by means of any pipes, wires, cables, chutes, ducts or other facilities existing in the common property or another building unit to the extent those systems or services are capable of being, and intended to be, used in connection with the enjoyment of the Building Units, and
- (ii) for shelter of the Building Unit by every part of a building that is shown on the architectural plans as part of the common property or another Building Unit and that is capable of providing shelter.

B. there exists an easement in favour of the common property and the owners of the common property

- (i) for the common property's vertical and sideways support by every building unit capable of providing support,
- (ii) for the passage or provision of the services and facilities described in subsection A (ii) existing in a Building Unit to the extent those systems or services are capable of being, and intended to be, used in connection with the enjoyment of the common property, and
- (iii) for shelter of the common property by every part of a building that is shown on the architectural plans as part of a Building Unit and that is capable of providing shelter.

the easements referred to in subsections (A) and (B)

- (a) exist without registration in the FNLR;
- (b) charge and burden that part of the common property capable of providing support or shelter to a building unit,
- (c) charge and burden each Building Unit capable of providing support or shelter to another Building Unit or to the common property,
- (d) charge and burden each Building Unit and that part of the common property in which any part of the services and facilities described in subsections A (ii) and B (ii) are located, and
- (e) include all of the rights and obligations needed to give effect to and enforce them, including a right of entry to inspect, maintain, repair and replace the shelter, support, services and facilities described in subsections A and B.

C. the easements referred to in subsections (A) and (B) may be enforced by the Sublessor on its own behalf or on behalf of one or more Sublessees to the same extent as if the Sublessor was the owner of a Building Unit or the common property that benefits from the easement;

D. the failure on the part of the Sublessee to allow the Sublessor or the Sublessors appointed representative to enter upon the Subleased Premises for the purpose of repair or replacement of services, as contemplated by this section 8 shall constitute default under the terms of the Sublease.

## 9. COMMON AREAS AND COMMON FACILITIES

9.1 Use of Common Areas and Common Facilities - The Sublessee covenants with the Sublessor that:

- (a) the Sublessor will have the right to control the use of the Common Areas and the Common Facilities in both the Development and the Residential Building Units, to grant exclusive rights to use parking spaces (and storage lockers if applicable) that are part of the Common Areas and Common Facilities in the Residential Building Units and to alter and/or expand the location, area, arrangement or composition of the Common Areas and Common Facilities. The Sublessor may delegate all or part of such control and rights to the Homeowners' Corp. from time to time;
- (b) the Sublessee, its Sublessees and guests shall only use the Common Areas and Common Facilities in accordance with this Sublease, including without limitation the Bylaws in force from time to time; and

- (c) the Sublessee will not do or omit, or permit to be done or omitted, anything which shall cause the Common Costs to be increased, and if the Common Costs shall be so increased the Sublessee shall pay the amount of such increase to the Sublessor upon demand.
- (d) The Sublessor may designate (or the Homeowners' Corp. may designate, if so authorized by the Sublessor) in writing parts of the Common Area and Common Facilities in the Residential Building Units for exclusive use of one or more of the Sublessees and areas so designated are Limited Common Areas and Facilities. When so making the initial designation of any Limited Common Areas and Facilities, the Sublessor(or the Homeowners' Corp. may designate, if so authorized by the Sublessor) shall state the premises that are to benefit from the designation, whether or not the Limited Common Areas and Facilities being designated may be changed, and if it may be changed whether or not the change requires written approval of the Sublessee or Sublessees of the premises for which the designation was made. If the designation is stated to be permanent, it may not be changed. If a designation of Limited Common Areas and Facilities is made and no statement is made as to the manner of altering the designation, the Sublessor (or the Homeowners' Corp.) if so authorized by the Sublessor) may only alter such designation by special resolution of the members of the Homeowners' Corp. together with the written consent of the owners of the Subleases for which the designation in question was made. A designation of Limited Common Areas and Facilities may be made on the condition that the Sublessee of the Sublease that is to benefit from the designation, have obligations to repair and maintain all or part of the Limited Common Areas and Facilities, as provided in the designation. Such designation is permanent and may only be changed by written agreement of the Sublessor (or the Homeowners' Corp. if so authorized by the Sublessor).

## 10. BYLAWS

10.1 Power to Make Bylaws - The Sublessor shall have the right from time to time to make Bylaws relating to the use of the Subleased Premises by the Sublessee. The Homeowners' Corp. shall have the right from time to time to make Bylaws relating to the use of the Common Areas and Common Facilities by the Sublessees, including the Sublessee. Such Bylaws shall be deemed to form a part of this Sublease and be incorporated herein. The Homeowners' Corp. will communicate any amendments or changes to the Bylaws to the Sublessee in writing and upon receipt of notice of any such amendment or change, the amended Bylaws shall be in force until further notice or amendment thereof. The Sublessor shall not be responsible to the Sublessee for the non-observance or violation of the Bylaws by any of the other Sublessees.

10.2 Adherence to Bylaws - The Sublessee shall abide by any and all Bylaws which may from time to time be established by the Sublessor or the Homeowners' Corp. and shall pay, as Additional Rent or Assessments (as the case may be) when demanded by the Sublessor or the Homeowners' Corp., and shall pay to the Homeowners' Corp., as an Assessment, any fines or penalties imposed by it, on the Sublessee, pursuant to the Bylaws.

## 11. UTILITIES

11.1 Payment for Utilities - The Sublessee is responsible for paying for all services, utilities and facilities required by it for its use of the Subleased Premises. Without limiting the generality of the foregoing, the Sublessee will pay for all water, telephone, cable, light, power, heat, air-conditioning, sewer and garbage disposal services and facilities for its use of the Subleased Premises. To the extent any such service, utility or facility is provided to the Residential Building Units as a whole, the Sublessee shall pay its Proportionate Share of the cost thereof; or, if the Sublessee's use of such service, utility or facility is disproportionately higher than the average of other Sublessees, the Sublessee shall pay any additional amount billed to it to reflect such use.

11.2 Interruption of Services - No interruption of any service or facility provided to the Subleased Premises will be deemed to be a disturbance of the Sublessee's enjoyment of the Subleased Premises or render the Sublessor or the Lessor (subject to the terms of the Head Lease) or the Homeowners' Corp. liable for injury to or in damages to the Sublessee or relieve the parties from their obligations under this Sublease.

## 12. TAXES, SERVICE FEES AND OTHER FEES AND CHARGES

12.1 Liability for Taxes -Without limiting the generality of Part 13, the Sublessee will pay on or before the due date in each and every year during the Term all taxes, trade licenses, rates, levies, service fees and charges, duties and assessments of any kind lawfully imposed by TFN or any competent authority, whether in respect of the Subleased Premises, fixtures, machinery, equipment or business relating to the Subleased Premises or in respect of the occupation of the Subleased Premises by anyone.

12.2 Right to Contest the Validity of Taxes - Without in any way relieving or modifying the obligation of the Sublessee to comply with Section 11, the Sublessee may, at its expense, contest or appeal the validity or amount of any tax, trade license, rate, levy, service fee or charge, duty or assessment, provided that the Sublessee commences any proceedings to contest or appeal the validity or amount within the time permitted by the relevant statute or bylaw and continues with the proceedings with all due diligence.

12.3 Evidence of Payment - The Sublessee will, upon request by the Sublessor and within thirty (30) days after the date taxes, trade licenses, rates, levies, service fees and charges, duties or assessments are due, provide the Sublessor with official receipts of the competent authority or other proof satisfactory to the Sublessor evidencing payment.

## 12. SECURITY FOR UTILITIES AND TAXES

12.1 Utilities and Taxes - The Sublessee shall enter into any agreements, and grant all security, requested by the Band or any other competent authority to evidence or secure the obligation of the Sublessee to pay all utilities, taxes, service fees, costs and charges and, if applicable, (including without limitation those set out in Parts 9 and 10), and in

the event the Sublessee is requested by the Band or other competent authority to enter into and deliver any such agreements or security and fails to execute and deliver the same within fourteen (14) days from the date of the request, the Sublessor is irrevocably appointed the attorney of the Sublessee with the full power to execute and deliver such agreements or security in the name of the Sublessee and any such agreements or security executed and delivered by the Sublessor under such power of attorney shall be binding upon the Sublessee without liability to the Sublessor or the party signing on behalf of the Sublessor (except in the case of fraudulent acts by the Sublessor or the party signing on behalf of the Sublessor).

12.2 Band Taxation - If the Band is the taxing authority for the Subleased Premises or the Development, the Sublessee shall pay to the Band, when due, all taxes, service fees, costs and charges as provided for in Part 10.

### 13. COMPLIANCE WITH LAWS

13.1 Obligation to Comply with Applicable Laws - The Sublessee will at its expense observe and perform all of its obligations under, and all matters and things necessary or expedient to be observed or performed by it, by virtue of any applicable law, statute, by-law, ordinance, regulation, statutory notice or order, stop work order issued by the City of Chilliwack or the Band, or lawful requirement of the federal, provincial or municipal government or authority, the Band Council other competent authority of the Band or any public utility company lawfully acting under statutory power.

13.2 Evidence of Compliance - If any statutory notice is given lawfully requiring the execution of works by the Sublessee at the Subleased Premises during the Term, and:

- (a) if notice is served upon the Sublessee, the Sublessee will forthwith forward it or a copy of it to the Sublessor and the Band and will (unless a certificate of exemption is obtained from the respective statutory authority) forthwith, at its expense, execute such works as are necessary to comply with the notice; or
- (b) if the notice is served upon the Sublessor, the Sublessor will forthwith forward it or a copy of it to the Sublessee and thereupon the Sublessee will (unless a certificate of exemption is obtained from the respective statutory authority) forthwith, at its expense, execute such works as are necessary to comply with the notice

and, in each such instance, the Sublessee will, forthwith upon completion of the works required by such statutory notice or order, provide evidence satisfactory to the Sublessor and/or the Band of compliance with the terms of the statutory notice or order, including any certificates of inspection issued in respect of the works.

13.3 Contesting of Laws - If the Sublessee contests the validity of any requirements set out in Section 13.1, proceedings relating thereto must be commenced before the expiration of sixty (60) days after the Sublessee has first been notified of any breach of

such requirements.

13.4 Indemnity - The Sublessee will indemnify and hold harmless the Sublessor and the Band from all loss, damage, cost and expense suffered by the Sublessor or the Band by reason of the Sublessee undertaking such proceedings, and the Sublessee covenants that it will conduct such proceedings with all due diligence.

#### 14. NUISANCE

14.1 Obligation not to Cause a Nuisance - The Sublessee will not cause, permit or suffer any nuisance in, on or about the Subleased Premises or on the Development.

14.2 Noise - Without limiting Section 14.1, the Sublessee will not permit any persons within the Subleased Premises, nor will it permit itself or any invitee of the Sublessee to cause any noise, disturbance or disruption to other Sublessees, or their invitees, whether from the Subleased Premises or the Common Areas or the Common Facilities.

14.3 Termination of Nuisance - Without limiting Sections 14.1 and 13.2, the Sublessee will, upon written notice from the Sublessor, the Homeowners' Corp., or the Band, abate any nuisance arising directly or indirectly out of the use or occupation of the Subleased Premises or the Development by the Sublessee, by any family member, guest, Sublessee, contractor, agent or invitee of the Sublessee or by any other person.

#### 15. WASTE

15.1 Obligation Not to Cause Waste - The Sublessee will not cause, permit or suffer the commission of any waste on the Subleased Premises or on the Development.

#### 16. RUBBISH

16.1 Obligations relating to Refuse - Without limiting Parts 14 or 15, the Sublessee will not cause, permit or suffer any refuse, rubbish or debris to be placed or left in, on or about the Subleased Premises, the Common Areas or the Development, and will take all necessary precautions to protect the Subleased Premises and the Development against fire.

#### 17. ENVIRONMENT

17.1 General Obligations to Comply with Environmental Legislation - Without limiting the generality of Part 13 (Compliance with Laws), the Sublessee will at all times use and occupy the Subleased Premises and the Development in strict compliance with all applicable Environmental Laws.

17.2 Hazardous Substances - The Sublessee will not use or permit or suffer the use of the Subleased Premises to generate, manufacture, refine, treat, transport, store, handle,

dispose of, transfer, produce or process any Hazardous Substances except in strict compliance with Environmental Laws and with the prior written consent of the Sublessor, which consent may be unreasonably and arbitrarily withheld.

17.3 Report of Release - Upon the Release of Hazardous Substances, or discovery of a Release of Hazardous Substances, by the Sublessee in, on or under the Subleased Premises, the Sublessee will:

- (a) immediately deliver written notice to the Sublessor, the Homeowners' Corp. and any appropriate Governmental Authority of the occurrence of the Release and details relating to the Release including, without limitation, the time of the Release, the estimated amount of Hazardous Substances which were released, and remedial action taken prior to the delivery of the notice, the remedial action which the Sublessee intends to take in order to contain or rectify the Release and any Persons observed who appeared to have caused or who were in the vicinity of the Release;
- (b) at its own expense, immediately take all remedial action necessary, in compliance with all Environmental Laws, to fully rectify the effects of the Release;
- (c) provide the Sublessor and the Homeowners' Corp. with an independent audit, satisfactory to the Sublessor, of its activities under Subsection 17.3(b) and the state of the Subleased Premises after such activities compared with the state of the Subleased Premises prior to the Release; and
- (d) do such further activities as the Sublessor and the Homeowners' Corp. may reasonably require, based on the audit referred to in Subsection 17.3(c), to rectify the Release.

17.4 Removal of Hazardous Substances - If requested by the Sublessor or any Governmental Authority, the Sublessee will at its own expense remove from the Subleased Premises any Hazardous Substances which are or have been located, stored or incorporated in, on or under the Subleased Premises. Prior to the end of the Term, the Sublessee will at its own expense remove from the Subleased Premises any Hazardous Substances which are or have been located, stored or incorporated in, on or under the Subleased Premises.

17.5 Increased Risks - The Sublessee will not carry out any operations or activities or construct any alterations or improvements which materially increase the risk of liability to the Sublessor (whether direct or indirect) as a result of the application of Environmental Laws (as determined by the Sublessor acting reasonably).

17.6 Inspection - The Sublessor may, at any time during the Term, inspect the Subleased Premises in order to assess the existence of any Hazardous Substances and to conduct an environmental site assessment, environmental audit or any other testing or investigations which the Sublessor deems reasonably necessary in order to ascertain the

compliance of the Sublessee's operation on the Subleased Premises with Environmental Laws and to determine the extent of any contamination of the Subleased Premises due to the presence of any Hazardous Substances in, on or under the Subleased Premises. The reasonable costs to the Sublessor of conducting any of the foregoing will be deemed to be Additional Rent payable by the Sublessee upon the Sublessor delivering notice of its costs.

17.7 Title to Hazardous Substances - The Sublessee acknowledges and agrees that, notwithstanding any rule of law to the contrary, any Hazardous Substances, which are located, stored or incorporated in, on or under the Subleased Premises remain the sole and exclusive property of the Sublessee and will not become the property of the Sublessor or the Homeowners' Corp. regardless of any degree of affixation of the Hazardous Substances to the Subleased Premises. This section will survive the expiration or earlier termination of this Sublease, save only that, to the extent that the performance of any obligation pertaining to it requires access to or entry upon the Subleased Premises after the expiration or earlier termination of this Sublease, the Sublessee will have entry and access only at such times and upon such terms and conditions as the Sublessor may from time to time specify in writing.

17.8 Additional Rights - Without limiting Part 22, upon:

- (a) the breach by the Sublessee of any provision contained in this Part; or
- (b) the Sublessor becoming aware of a breach of Environmental Laws with respect to the Subleased Premises or the presence of any Hazardous Substances on, in or under the Subleased Premises which is not present in strict compliance with Environmental Laws and which raises a material risk of liability to the Sublessor, as determined by the Sublessor,

such event will constitute a default for the purposes of Section 22.1 of this Sublease

17.9 Environmental Indemnity - The Sublessee hereby indemnifies and saves harmless the Sublessor and the Homeowners' Corp. from and against all claims, demands, actions, suits or other proceedings, judgments, damages, penalties, fines, costs, liabilities and losses (including any diminution in the market value of the Subleased Premises, based on the highest and best use of the Subleased Premises, as opposed to the uses permitted by this Sublease), sums paid in settlement of any claims, reasonable legal, consultant and expert fees or any costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any authority) which arise during or after the Term and are in any way based upon, arise out of or are connected with:

- (a) the presence or suspected presence of Hazardous Substances in, on or under the Subleased Premises or in the soil, groundwater or surface water in, on, under or near the Subleased Premises as a result of the actions or omissions of the

Sublessee; or

- (b) the Release of any Hazardous Substances in, on or under the Subleased Premises by or at the direction of the Sublessee,

unless the presence of the Hazardous Substances is solely attributable to the negligence or willful misconduct of the Sublessor or the Homeowners' Corp. This indemnity will survive the expiration or earlier termination of this Sublease.

## 18. ALTERATIONS AND ADDITIONS

18.1 Permitted Alterations - The Sublessee may from time to time, at its expense, paint and decorate the interior of the Subleased Premises and make such changes, additions, alterations and improvements in and to the interior of the Subleased Premises as will in the judgment of the Sublessee better adapt the Subleased Premises for the purpose of the Sublessee, provided however that no structural changes, additions, alterations or improvements shall be made to the Subleased Premises, Common Area or Common Facilities, no buildings, improvements, fences, awnings or structures shall be constructed or erected upon the Common Areas shall and the Common Areas shall not be changed, without the prior written consent of the Sublessor and the Homeowners' Corp..

18.2 The Sublessee shall not, nor anyone on behalf of the Sublessee, trim, cut or in any way alter or interfere with Development landscaping.

18.3 Standards - All construction and other work on the Subleased Premises will be carried out and completed to a standard and quality at least as high as those of any improvements which are being repaired, restored, renewed, replaced or substituted and in accordance with the standards set out in the Head Lease, as those standards may be amended or replaced from time to time. If there is a conflict among any of the standards in this Sublease or if they cover the same subject matter, then the highest standard will apply, and if any standard is inapplicable for any reason the remaining standards will continue to apply. All alterations to the Subleased Premises shall be carried out without interference or disruption of other Sublessees, and before, during, and after such alterations the Sublessee shall comply with all provisions of this Sublease.

## 19. INSURANCE

19.1 Sublessee Insurance - The Sublessee covenants with the Sublessor that it will take out and maintain in force during the Term a comprehensive general liability policy against claims for personal injury, sickness, illness, disease or disability, death or property damage or loss (including liability coverage for pollution, to the extent such coverage is available) arising out of the ownership, occupation, maintenance and use of the Subleased Premises by the Sublessee and also covering any Limited Common Areas and Facilities designated for the exclusive use of the Sublessees, in an amount not less than Two Million Dollars (\$2,000,000.00) in respect of any one accident or occurrence, or such higher amount as the Sublessor may require from time to time. The Sublessees Insurance must also provide for the payment of any deductibles by the Sublessee's

insurer for any property damage may be caused by any means from the use and occupation of the Subleased Premises that the Sublessor's or the Homeowners' Corp. may have to pay under the terms of the Sublessor's or the Homeowners' policy of insurance. Such policy of insurance shall name the Sublessor, the Lessor and the TFN as an additional insureds.

19.3 Covenants Relating to Insurance - The Sublessee covenants and agrees as follows:

- (a) to deliver to the Sublessor from time to time, on request, certificates from its insurers evidencing each such policy of insurance to be taken out and maintained by the Sublessee pursuant to this Sublease, and also to deliver evidence of the renewal of such policies at least ten (10) days prior to the time for the renewal of the same;
- (b) not to do, permit or suffer anything to be done or omitted on the Subleased Premises or the Development which might cause any policy of insurance (including the insurance of the Sublessor and/or the Homeowners' Corp.) to be invalidated or cancelled, and to comply forthwith with any and every written notice from the Sublessor, the Homeowners' Corp. or any insurer requiring the execution of works or the discontinuance of any use of the Subleased Premises in order to avoid the invalidation or cancellation of any insurance;
- (c) to release the Lessor, Sublessor, TFN and the Homeowners' Corp. from any and all liability for loss and damage caused at any time by any of the perils against which the Sublessee has covenanted to insure under this Sublease, and (except for fraudulent acts of the Lessor, Sublessor, TFN or the Homeowners' Corp.) to indemnify and hold harmless the Lessor, Sublessor, TFN and the Homeowners' Corp. from and against all manner of actions, suits, damages, losses, costs, claims and demands of any nature whatsoever relating to such loss or damage; and

## 20. DAMAGE OR DESTRUCTION

20.1 Rights on Damage or Destruction - In the event of damage or destruction to the Subleased Premises at any time during the Term, the Rent shall not abate and this Sublease shall not terminate unless the Head Lease is terminated pursuant to the terms and conditions thereof.

20.2 Sublessor's Obligations - In the event of damage or destruction to the Subleased Premises or any building, structure or improvement forming part of the Subleased Premises, whether partial, substantial or complete, the Sublessor will if it is possible and subject to applicable laws, within a reasonable time, repair, replace, restore or reconstruct such building, structure and improvement with buildings, structures and improvements comparable to those being repaired, replaced, restored or reconstructed. If repairs are impossible, and should the Lessor agree that rebuilding or repairs are impossible, then the insurance proceeds shall be used as follows:

- (a) firstly, for the purposes of clean-up of the Lands to restore the Lands, to their condition at the Commencement Date;
- (b) secondly, to the extent of the portion of insurance proceeds attributable to the Improvements subleased pursuant to a Sublease, to the Sublease Mortgagee and the Sublessee of such Sublease, as to the Sublessee's proportionate share as determined by the Sublessee's Interest on Destruction set out on Schedule "D", as their interests may appear;
- (c) thirdly, to the Sublessee to the extent of any amounts due to the Sublessee exceed the secured by the Sublessee's Mortgage; and
- (d) fourthly, to the Lessor and the Sublessor, as their respective interests appear.

Notwithstanding anything herein before provided if at any time the premises are damaged or destroyed to the extent of twenty-five per cent (25%) or more of their full replacement cost, then the Mortgagee or Canada Mortgage and Housing Corporation as successor may elect to require that the insurance proceeds not be applied toward the repair or rebuilding or restoration of the demised premises, and in the event of such an election the insurance proceeds shall be applied, in priority,

- i. first, but only if and to the extent required by the Lessor or the Lessee, toward clearing and restoring the lands as nearly as possible to their condition prior to the commencement of construction,
- ii. second, towards payment of all moneys owing on the mortgage,
- iii. third, towards payment of all moneys payable to the Lessor under this Lease, and
- iv. fourth, in payment to the Lessor and the Lessee in accordance with their interests therein, and the Lessee shall not be obligated to repair or rebuild or restore.

## 21. EXCLUSION OF LIABILITY AND INDEMNITY

21.1 Release in Favor of the Sublessor - Except and to the extent that such injury, loss or damage is caused by the Sublessor and is covered by insurance taken out by the Sublessor, the Sublessor, its directors, officers, agents, servants, employees or invitees shall not be liable or responsible in any way for any injury that may be suffered or sustained by the Sublessee, or any family member, guest, Sublessee, contractor, agent or invitee of the Sublessee, or for any loss of or damage to any property belonging to the Sublessee or to any other person (including without limitation any family member, guest, Sublessee, contractor, agent or invitee of the Sublessee) while such property is on the Development or the Subleased Premises, and in particular, but without limiting the generality of the foregoing, the Sublessor shall not be liable for any damage or inconvenience caused by the failure to supply utilities to the Subleased Premises but the Sublessor shall use all reasonable diligence to remedy such failure or interruption of service if it is within its power and obligation to do so.

21.2 Indemnity - The Sublessee covenants with the Sublessor to indemnify and save harmless the Lessor, TFN, the Sublessor and the Homeowners' Corp., their directors, officers, agents, servants, employees and invitees, and the Homeowners' Corp. from any and all claims for personal injury or property damage arising from any default by the Sublessee in the observance or performance of the covenants and agreements on its part to be observed and performed pursuant to this Sublease or from any act or omission of the Sublessee or any family member, guest, Sublessee, contractor, agent or invitee of the Sublessee and from all costs, fees and expenses incurred as a result of any such claim or any action or proceeding brought in connection with such claim and this indemnity shall survive the expiration or sooner termination of the Term.

## 22. SUBLESSOR'S RIGHTS AND REMEDIES

22.1 Events of Default - It shall be an Event of Default under this Sublease if the Sublessee:

- (a) fails to pay any Rent or any other sum required to be paid by the Sublessee when due under this Sublease, whether demanded or not or purports to set off, withhold or deduct any amount of Rent due;
- (b) fails to perform or observe any other term, agreement, condition, covenant, warranty or proviso of this Sublease (including without limitation the Schedules hereto, the Bylaws and the covenant in respect of the Head Lease contained in Section 27 hereof), whether demanded or not;
- (c) fails to pay any Assessment when due to the Homeowners' Corp., whether demanded or not.

22.2 Rights and Remedies Upon Default - Upon the happening of an Event of Default, the Sublessor shall have the following rights and remedies:

- (a) in the case of an Event of Default which constitutes a default under the terms and conditions of the Head Lease, the Sublessor shall have the right to re-enter and re-take possession of the Subleased Premises and terminate this Sublease if such default is not remedied within sixty (60) days from receipt of written notice from the Lessor, Sublessor, or TFN advising of the default or if the default is not reasonably capable of being cured in such time, if the Sublessee fails to commence to cure the default within sixty (60) days of receipt of the notice and to proceed to cure it with all due diligence to completion;
- (b) in the case of an Event of Default which constitutes a default under the terms and conditions of the Head Lease, the Sublessor shall have the right to re-enter and re-take possession of the Subleased Premises for the purpose of releasing the same as agent for the Sublessee if such default is not remedied within sixty (60) days from receipt of written notice from the Lessor,

Sublessor or TFN advising of the default or if the default is not reasonably capable of being cured in such time, if the Sublessee fails to commence to cure the default within sixty(60) days of receipt of the notice and to proceed to cure it with all due diligence to completion, in which event all money received by the Sublessor from such re-leasing (but excluding any ongoing Rent from the date of the re-leasing) shall be applied, firstly, to the payment of any indebtedness due under this Sublease from the Sublessee to the Sublessor, secondly, to the payment of all costs and expenses incurred by the Sublessor in re-leasing the Subleased Premises (including brokerage and lawyer's fees and the cost of any alterations and repairs to the Subleased Premises) thirdly to the payment of any indebtedness of the Sublessee to the Homeowners' Corp., if any, and fourthly, as to the balance of the money, if any, to the Sublessee (provided that if there are any financial charges registered in the First Nations Land Registry against the interest of the Sublessee at the time of the disbursement of monies, the amount payable to the Sublessee shall first be applied to satisfy the Sublessee's obligations to such financial charge holders in accordance with their priority and any balance shall then be paid in accordance with this Sublease);

- (c) in the case of an Event of Default which does not constitute a default under the terms and conditions of the Head Lease, the Sublessor shall have the right to re-enter and re-take possession of the Subleased Premises and terminate this Sublease if such default is not remedied within ninety (90) days from receipt of written notice from the Sublessor advising of the default;
- (d) in the case of an Event of Default which does not constitute a default under the terms and conditions of the Head Lease, the Sublessor shall have the right to re-enter and re-take possession of the Subleased Premises for the purpose of re-leasing the same as agent for the Sublessee if such default is not remedied within ninety (90) days from receipt of written notice from the Sublessor advising of the default, in which event all money received by the Sublessor from such re-leasing shall be applied as set out in Subsection 22.2(b);
- (e) in the case of an Event of Default which constitutes a default under the Bylaws, impose any fines or penalties as set out in the Bylaws;
- (f) the Sublessor may, but shall not be obliged to, itself observe and perform any covenant or agreement in respect of which the Sublessee has made default and for such purpose may enter onto the Subleased Premises without liability to the Sublessee, provided that such performance by the Sublessor shall not in any way relieve the Sublessee from its obligations and liabilities with respect to the performance of the covenant or agreement;
- (g) the Sublessor shall have the right to collect from the Sublessee any and all costs and expenses incurred by the Sublessor in enforcing the covenants and agreements set out in this Sublease and in performing the covenants and

agreements of the Sublessee set out in this Lease, including without limitation legal fees as between solicitor and his own client, together with interest thereon at the rate set out in Subsection 21.2(h) from the date that the costs and expenses are incurred to the date the same are paid by the Sublessee;

- (h) the Sublessor shall have the right to claim from the Sublessee interest at the rate equal to five percent (5%) per annum above the prevailing prime lending rate for commercial loans in Canadian dollars then being published by the Sublessor's bankers on all amounts which are due and owing by the Sublessee to the Sublessor (and a certificate signed by an officer of a bank that the Sublessor designates as its bank, shall be conclusive evidence of such rate); and
- (i) the Sublessor shall be entitled to such other rights and remedies as may be available to it pursuant to this Sublease, at law or in equity, including without limitation rights of distress, the right to claim damages against the Sublessee and the right to seek and obtain injunctive or other equitable relief upon the happening of an Event of Default.

22.3 Rights of the Sublessee on Termination for Default - In the case of an Event of Default and the termination of this Sublease pursuant to the terms and conditions of Section 22.2, then the Sublessor shall use its reasonable efforts to lease the Subleased Premises through the issuance of another sublease for the Subleased Premises to a third party buyer on terms and conditions substantially the same as set out in this Sublease, in which event all money received by the Sublessor from such sublease (but excluding any ongoing Rent from the date of such sublease) shall be applied, first, to the payment of any indebtedness due under this Sublease from the Sublessee to the Sublessor, second, to the payment of all costs and expenses incurred by the Sublessor in re-leasing the Subleased Premises (including brokerage and lawyer's fees (on a solicitor and own client basis) and the cost of any alterations and repairs to the Subleased Premises) third, to the payment of any indebtedness of the Sublessee to the Homeowners' Corp. and fourth, as to the balance of the money, if any, to the Sublessee (provided that if there are any financial charges registered in the First Nations Land Registry against the interest of the Sublessee at the time of the disbursement of monies, the amount payable to the Sublessee shall first be applied to satisfy the Sublessee's obligations to such financial charge holders in accordance with their priority and any balance shall then be paid in accordance with this Sublease).

22.4 Rights and Remedies Cumulative - All rights and remedies of the Sublessor in this Sublease shall be cumulative and not alternative.

22.5 Remedy of Defaults by Mortgagees - If a mortgagee of the Sublessee's interest in this Sublease has provided written notice to the Sublessor advising of such mortgage and setting out an address for delivery in British Columbia, the mortgagee shall be entitled to receive notice of and cure any Event of Default pursuant to and within the applicable time frame provided for in Section 22.2 or, in the event any default is not reasonably

capable of being remedied within the time frame set out in Section 22.2, within such longer time period as is reasonable in the circumstances provided the mortgagee immediately commences to cure the default and then diligently prosecutes to conclusion all acts necessary to cure the default. Any curing of an Event of Default by the Mortgagee shall be construed as a curing of the Event of Default by the Sublessee. No notice of an Event of Default shall be effective as against any such mortgagee unless and until a copy of such notice has been provided to the mortgagee at the address specified by the mortgagee as set out above, and any such notice to the mortgagee shall be provided as set out in Part 30 of this Sublease.

22.6 Notices of Defaults under the Head Lease - Upon receipt of notice of default under the Head Lease by the Sublessor, the Sublessor shall promptly provide a copy of such notice to the Sublessee and any mortgagee(s) of the Sublessee's interest in this Sublease or the Subleased Premises who has provided written notice to the Sublessor setting out an address for delivery in British Columbia.

22.7 Non-Waiver - No condoning, excusing or overlooking by the Sublessor or the Sublessee of any default, breach or non-observance by the other in respect of any covenant, proviso or condition herein contained shall operate as a waiver of the Sublessor's or the Sublessee's rights hereunder in respect of any continuing or subsequent default, breach or non-observance or so as to defeat or affect in any way the rights of the Sublessor or the Sublessee in respect of any continuing or subsequent default or breach, and no waiver shall be inferred from or implied by anything done or omitted by the Sublessor or the Sublessee, save only express waivers in writing.

## 23. MORTGAGES AND ASSIGNMENTS BY THE SUBLESSOR

23.1 Right of Sublessor to Assign or Mortgage - Subject to any prior written consent required by the Lessor or TFN (if any is required), the rights of the Sublessor herein may be assigned to a buyer or mortgaged to a mortgagee, In the event of any buyer or mortgagee duly entering into possession of the Sublessor's interest in the Sublease, the Sublessee agrees to attorn to and become Sublessee of such buyer or mortgagee pursuant to the terms of this Sublease.

23.2 Release of Sublessor upon Assignment - In the event of an assignment by the Sublessor of its interest in this Sublease and to the extent that the buyer assumes the covenants, agreements, obligations and liabilities of the Sublessor contained in this Sublease, the Sublessor shall without further written agreement be released and relieved of and from any and all obligations and liabilities whatsoever relating to this Sublease and the Development.

## 24. ASSIGNMENT AND SUBLETTING BY THE SUBLESSEE

Right to Assign - The Sublessee may assign or transfer the whole or any part of its interest in this Sublease and the Subleased Premises, subject to the following terms and conditions:

- (a) the assignment or transfer of the Sublease must be completed on a form acceptable for registration by the First Nations Land Registry or anyone in any successor office or anyone duly authorized to act as Registrar, and the Land Manager for TFN, and must be submitted to the Land Manager for TFN for review and submission to the First Nation Land Registry for registration;
- (b) the assignment or transfer must include covenants and agreements pursuant to which the assignee or transferee covenants and agrees in writing, with the Sublessor and the Homeowners' Corp., to be bound by and be liable under all terms, conditions, covenants and agreements of the Sublessee under this Sublease;
- (c) the assignee or transferee shall execute and deliver concurrently with the assignment or transfer any agreements or security as provided for in Section 12.1;
- (d) the Sublessee shall not be in default of its covenants and agreements set out in this Sublease, and in particular shall have paid its Proportionate Share of all Common Costs and Operating Costs and shall have paid to the Homeowners' Corp. all assessments for the period to and including the date of the assignment or transfer;
- (e) the share in the capital of the Homeowners' Corp. held by the Sublessee must be transferred to the assignee or transferee at the same time as the Sublease is assigned, provided that in the event the Sublessee fails to effect the transfer of the share in the Homeowners' Corp. at the time of the assignment or transfer of this Sublease, the Homeowners' Corp. is hereby irrevocably appointed the attorney of the Sublessee with the full power to execute and deliver a transfer of the share in the name of the Sublessee and any transfer documentation executed and delivered by the Sublessor under such power of attorney shall be binding upon the Sublessee without liability to the Sublessor or the party signing on behalf of the Sublessor; and
- (f) prior to any assignment or transfer the Sublessee shall request a certificate from the Sublessor confirming that to the Sublessor's knowledge the Sublease is in good standing, and
- (g) concurrent with completion of the assignment, and as a condition of the assignment an administration fee of the following amounts must be paid to the Sublessor as follows:
  - (i) in the case of an assignment to a spouse, sibling, parent, child, grandparent or grandchild of the Sublessee the sum of Three Hundred (\$300.00) Dollars; or

- (ii) in the case of an assignment to a party, other than a party to which subparagraph (i) applies an administration fee equal to one half of one percent (0.05%) of the selling price for the assignment of this Sublease.

24.2 Release on Assignment - Upon the assignment or transfer of this Sublease by the Sublessee, the Sublessee shall be released from its obligations pursuant to this Sublease as they relate to the period following the date of the assignment or transfer and the assignee or transferee shall assume all obligations of the Sublessee under this Sublease.

24.3 Right to Sublet - The Sublessee shall have the right to sublet the whole (but not less than the whole) of the Subleased Premises, provided any Subletting shall comply with the Bylaws.

## 25. RIGHT TO MORTGAGE BY SUBLESSEE

25.1 Right to Mortgage - The Sublessee shall have the right, at any time, and from time to time, to grant a mortgage of this Sublease.

25.2 Mortgagee's Remedies - The mortgagee under any mortgage granted by the Sublessee may exercise any remedies available to it under its mortgage, and in particular, without limiting the generality of the foregoing, may enforce the mortgage and acquire title to this Sublease in any lawful way, directly, by its representative or by a receiver, as the case may be, and in such event may take possession of and manage the Subleased Premises and sell or assign this Sublease, subject to the requirements set out in Section 24.1, in which case the assignee or transferee of the Sublease shall be liable to assume, abide by and perform the covenants, agreements, obligations and liabilities imposed on the Sublessee by this Sublease so long as such assignee or transferee has ownership or possession of the Subleased Premises.

25.3 Obligations of a Mortgagee in Possession - If the mortgagee takes possession of the Subleased Premises, or acquires the Sublessee's equity of redemption, or a receiver or receiver manager is appointed by or at the request of the mortgagee, then the mortgagee will, or will cause the receiver or receiver-manager to, perform and observe all of the Sublessee's covenants and agreements under this Sublease until either the mortgagee ceases to be a mortgagee in possession, the receiver or receiver-manager ceases to be in possession or this Sublease is duly assigned or transferred to an assignee or transferee and the assignee or transferee covenants and agrees to assume, abide by and perform the covenants, agreements, obligations and liabilities of the Sublessee under this Sublease.

25.4 Obligations of CMHC if in Possession - If the mortgage is insured by Canada Mortgage and Housing Corporation ("CMHC"), then:

- (a) during such time as CMHC has possession of the Subleased Premises or holds the Sublessee's equity of redemption in the Subleased Premises, CMHC shall not be bound to pay Rent referred to in Section 4.1 or to take out or keep in force the insurance referred to in Part 19; and
- (b) the Sublessor must obtain the consent of the mortgagee in the event that the Sublessor intends to exercise its right under Subsection 22.2(b) or (d) of this Sublease.

## 26. SUBLESSOR'S COVENANTS

### 26.1 Sublessor's Obligations -The Sublessor covenants with the Sublessee:

- (a) that if the Sublessee pays the Rent hereby reserved and performs the covenants herein on its part contained, the Sublessee shall, subject to the terms of this Sublease, peaceably possess and enjoy the Subleased Premises for the Term without any interruption or disturbance from the Sublessor or any other person or persons lawfully claiming by, from or under it;
- (b) to pay the rent and observe and perform all of the terms, covenants and agreements in the Head Lease to be observed and performed by the Sublessor, and to indemnify and save harmless the Sublessee, and its assigns and mortgagees, of and from any loss, damage, liability, claim or expense incurred by the Sublessee resulting from the failure to do so unless the Sublessor's failure is caused or contributed to by a default of the Sublessee under this Sublease;
- (c) to take out, or cause to be taken out, and keep in force the insurance required to be taken out pursuant to the Head Lease; and
- (d) not to amend the Head Lease in any manner that will materially adversely affect the rights of the Sublessee, and its permitted assigns or mortgagees, under the terms and conditions of this Sublease

## 27. COMPLIANCE WITH HEAD LEASE & PERMITS

27.1 Sublease Subject to the Head Lease – The Sublessee acknowledges and agrees that this Sublease will terminate one (1) day prior to the termination of the Head Lease, except in circumstances provided for in the Head Lease.

Sublessee Not to Breach the Head Lease - The Sublessee acknowledges and agrees that this Sublease is expressly subject and subordinate to the Head Lease and to the rights of the Lessor Owner thereunder, and that this Sublease will terminate upon the termination of the Head Lease, except in circumstances provided for in Part 19 of the Head Lease.

27.1 The Sublessee covenants and agrees with the Sublessor:

- (a) To be bound by the terms of the Head Lease as they relate to the Sublease and agrees that in the event of any conflict between the terms of the Head Lease

and this Sublease the terms of the Head Lease shall prevail;

- (b) not to cause the Sublessor at any time to be in breach of any of the terms, covenants, conditions, provisos and agreements of the Sublessor to be kept or observed under any Permit relating to the Development; and
- (c) not to breach any of the terms, covenants, conditions, provisions and agreements of the Sublessor to be kept or observed under any Permit relating to the Development.

## 28. HOMEOWNERS' CORP.

28.1 Creation - The Homeowners' Corp. has been created. The Homeowners' Corp. will be the Homeowners' Corp for all Residential Units in Phase One of the Development. The Sublessee will be issued a non voting Class "B" share in the Homeowners' Corp. upon registration of this Sublease in the First Nations Land Registry in Ottawa. When all Subleases for Phase One of the Development are registered in the FNLR, the number of non voting members in the Homeowners' Corp. shall equal the number of registered Subleases. Within 60 days of the last Sublease in Phase One being registered the Class "B" non voting shares in the Homeowner's Corp. shall be converted to voting shares and at such time the Sublessees in the Phase One shall control the Homeowners' Corp. A Sublessee will cease to be a member in the Homeowners' Corp. in accordance with the terms of Article 24.1 (e) hereof and the Bylaws of the Homeowners' Corp. as appended hereto as Schedule "G".

28.2 Duties of Homeowners' Corp. - The Common Areas and Common Facilities may be subleased or transferred to the Homeowners' Corp., if appropriate in the sole discretion of the Sublessor. The Homeowners' Corp. covenants and agrees with the Sublessor and the Sublessee to control, manage and administer the Common Areas and Common Facilities for the benefit of all Sublessees. Specific obligations of the Homeowners' Corp. are contained in its Bylaws, a copy of which has been made available to the Sublessee prior to the execution of this Sublease. The rights and obligations of the Homeowners' Corp. shall be subject and subordinate to the Sublessor's rights under this Sublease.

28.3 Funding of Homeowners' Corp. - The Sublessee acknowledges that the operations of the Homeowners' Corp. will be paid for by assessments made by the Homeowners' Corp. to the Sublessees. The Sublessee covenants and agrees to pay all assessments made by the Homeowners' Corp. when due. Such assessments shall constitute Additional Rent pursuant to this Sublease, shall bear interest as provided for in this Sublease if not paid when due, and shall afford the Sublessor and the Homeowners' Corp. with all remedies available to them pursuant to this Sublease. For the sake of clarity the Sublessee acknowledges and agrees that the Homeowners' Corp. will collect the Sublessee's proportionate share of Common Costs and Operating costs from the Sublessees on a monthly basis and the Sublessee hereby agrees to pay to the Homeowners' Corp. his/her/its proportionate share of the Common Costs and Operating

Costs as they become due as determined by the Homeowners' Corp.

28.4 Access - The Homeowners' Corp., and its agents, employees and contractors, shall have the right to enter upon the Subleased Premises and the Common Areas and Common Facilities to enable it to carry out its duties and responsibilities in connection with the Common Areas and Common Facilities.

28.5 Right to Suspend/Disconnect Services - Without limiting any right or remedy of the Homeowners' Corp. or the Sublessor, if the Sublessee fails to pay an assessment when due, the Homeowners' Corp. may, without notice, temporarily suspend or permanently disconnect the Subleased Premises from anyone or more service or utility that passes on, over, under or through any Common Area or Common Facility, to the Subleased Premises including without limitation the provision of water, sewer, electricity, gas, power, telephone, cable or other service.

28.6 Breach - A breach or default by the Homeowners' Corp. of any obligation under this Sublease shall not:

- (a) give the Sublessee any right to terminate this Sublease; or
- (b) impose any obligation on the Sublessor.

28.7 Delegation - The Sublessor may, from time to time, delegate to the Homeowners' Corp., all or any part of the Sublessor's rights and obligations hereunder, including, without limitation, the right to grant approvals or consents, and may change such delegation from time to time.

28.8 The Homeowners' Corp. shall have the right, at the request of the Developer, or otherwise to change the percentages for Operating Costs payable for both Commercial Units or Residential Units as set out in Schedule E should the percentages change if during the course of construction of the Development the Developer adds or subtracts from the total square footage that has been built for all of the Commercial Units and all the Residential Units in the Development. The Homeowners' Corp. or the Developer shall also have the right to change the Proportionate Share percentages should the anticipated square footage of the Residential Units change throughout the course of construction of the Development.

## 29. CMHC PROVISIONS

29.1 Notwithstanding the provisions of Article 4.1 (b) if the Sublessee obtains a CMHC insured mortgage either at the time the Sublessee enters into the Sublease or at anytime in the future the provisions of Article 4.1 (b) shall not apply:

- (a) so long as CMHC insures a Mortgagee of the Sublease; or
- (b) at any time CMHC or the Mortgagee becomes an owner of the Sublease as a result of enforcing its security; or

- (c) for a period of five years after the date the Sublease is transferred to a new Sublessee by CMHC as a result of an agreement between CMHC and the Sublessee or as a result of CMHC or the Mortgagee enforcing its security and the transferee of the Sublease does not take a mortgage insured by CMHC.

28.2 Notwithstanding the provisions of Article 22.5 should the Mortgagee choose not to cure the default of the Sublessee but to enforce its security the Sublessor's rights to terminate the Sublease as provided in Article 22 shall be suspended and the Mortgagee shall have the right to complete enforcement of its security in such manner as it sees fit until the Mortgagee has been paid out in full resulting from the enforcement of its rights under its security including, but not limited to the sale of the Sublease, either by consent or through a foreclosure action.

28.3 The provisions of Article 24.1 (g) shall not apply to a sale or assignment by or of the Sublease arranged by the Mortgagee or CMHC either with the consent of the Sublessee or through the enforcement by the Mortgagee or CMHC of its security.

### 30. MISCELLANEOUS

30.1 No Partnership - It is understood between the Sublessor and the Sublessee that nothing contained in this Sublease shall be deemed to create any relationship between the Sublessor and the Sublessee other than the relationship of Sublessor and Sublessee.

30.2 Joint and Several Liabilities - Should the Sublessee comprise two or more persons each of them shall be jointly and severally bound to perform the obligations of the Sublessee hereunder.

30.3 Gender References - References to the Sublessor, the Sublessee or any other party shall be read with such changes in gender as may be appropriate and where appropriate the singular shall mean the plural and vice versa.

30.4 Enurement - This Sublease shall enure to the benefit of and be binding upon the Sublessor, its successors and assigns and the Sublessee, its heirs, executors, administrators, successors and permitted assigns.

30.5 Time of the Essence - Time is of the essence in this Sublease.

### 31. NOTICE

31.1 Notice - Any notice, demand, consent, objection, or request for consent to be given hereunder shall be given in writing and either delivered or sent by registered mail, postage prepaid, addressed to the persons as follows:

- (a) to the Sublessor, addressed to the Sublessor at the address of the Sublessor set out above;

- (b) to the Homeowners' Corp., addressed to the Homeowners' Corp. at the address of the Homeowners' Corp. set out above;
- (c) to the Sublessee, addressed to the Sublessee at the Subleased Premises;
- (d) to TFN at Unit 29 – 6014 Vedder Rd. Chilliwack, B.C. V2R 5M4
- (e) to a Mortgagee at its address provided to the Sublessor in writing.

or to such other address in British Columbia which the persons may from time to time notify each other in writing. The time of giving or making such notice, demand, consent objection or request for consent shall be when delivered, if delivered, and on the fourth business day after the day of the mailing thereof, if mailed, provided that if a notice is sent by mail and there is a mail strike, slowdown or other labor dispute between the time of mailing and the actual receipt of the notice, then such notice shall only be effective if delivered or actually received.

### 32. NET SUBLEASE

32.1 Net Sublease - It is agreed by the Sublessee that this Sublease shall be a completely carefree, net sublease to the Sublessor and that the Sublessor shall not be responsible for any costs, charges, expenses or outlays of any nature whatsoever arising from or related to the Subleased Premises or the Development and the Sublessee shall pay his/her Proportionate Share of all Common Costs, Operating Costs other costs, expenses, fees and other amounts of every nature and kind arising from or relating to the Subleased Premises and the Development.

### 33. APPLICABLE LAW

33.1 Applicable Law - This Sublease shall be construed and governed by the applicable laws of the Province of British Columbia and the general laws of Canada therein, and the Sublessor and Sublessee agrees to attorn to the jurisdiction of the British Columbia courts, which (subject to Part 33) shall have the exclusive jurisdiction to determine any dispute arising out of this Sublease.

### 34. ARBITRATION

34.1 Right to Refer Matters to Arbitration – Notwithstanding the provisions of Article 33, the Sublessor and the Sublessee may agree, but will not be required to agree, to resolve any dispute relating to this Sublease pursuant to the provisions of the *Arbitration Act*, S.B.C. 2020, c.2, as amended, re-enacted or replaced from time to time. In the event that the Sublessor and the Sublessee cannot agree to resolve a dispute by arbitration then any such dispute will be settled in the Supreme Court of British Columbia. In the event that a mortgage which is insured by CMHC is registered against the Subleased Premises, then a copy of the notice of dispute shall be given to the mortgagee at the same time as it

is given to the Sublessor or the Sublessee, as the case may be, and if the mortgagee considers that the dispute may affect its mortgage security, the mortgagee shall be given the opportunity to participate in the arbitration proceedings.

### 35. ENTIRE AGREEMENT

35.1 Entire Agreement - This Sublease (together with the Schedules attached hereto and the Bylaws) constitutes the entire agreement between the Sublessor and the Sublessee and may not be modified except by agreement in writing signed by the Sublessor and Sublessee. Should any provision of this Sublease be illegal or unenforceable, it shall be considered separate and severable from this Sublease and the remaining provisions and conditions of this Sublease shall remain in force and be binding upon the Sublessor and Sublessee as though the illegal or unenforceable provision had not been included.

### 36. REGISTRATION OF SUBLEASE

36.1 Registration - The Sublessee shall submit the Sublease to the TFN for registration at the First Nations Land Registry in the National Capital Region pursuant to the provisions of the Tzeachten First Nations' Land Code. All costs relating to the registration of this Sublease shall be borne by the Sublessee.

### 37. PERMITS

37.1 Registration / Description – The Permits and/or easements, if any, have been registered in the First Nations Land Registry as required by sections 9.1 and 9.19 of the TFN Land Code, and in accordance with the requirements of subsection 10(2) and section 19 of the First Nations Land Registry Regulations. The Permits and/or easements, if any, are as described in Schedule “C” attached hereto, and made a part hereto. The Permits, if any, were granted under part 9 of the TFN Land Code and give the requisite parties the right to use the land for a right of way to provide utilities or other services to the Development and fulfill the objectives of the Head Lease, being the construction of the Development. The Permits, if any, are legally binding agreements upon the Sublessee and all successors and assigns.

### 38. AMENDMENTS

38.1 Amendments -The Sublessor and the Sublessee may amend this Sublease, by written agreement, from time to time, and the consent or approval of the Homeowners' Corp. to such amendment shall not be required.

### 39. COUNTERPARTS

39.1 Counterparts - This Sublease may be executed in counterparts, each of which so executed shall be deemed to be an original and such counterpart together shall constitute one and the same document. The delivery of an executed counterpart copy of this

Sublease by facsimile or telecopy or by electronic transmission in portable document format (PDF) shall be deemed to be the equivalent of the delivery of an original executed copy thereof.

IN WITNESS WHEREOF the parties hereto have executed this Sublease to be effective as of the day and year first above written.

**ANDMAR DEVELOPMENT CORP.**

Per:

\_\_\_\_\_  
ANDREW MACDONALD

**ANDMAR HOMEOWNERS' CORP.**

Per:

\_\_\_\_\_  
ANDREW MACDONALD

SIGNED SEALED AND DELIVERED BY  
THE SUBLESSEE(S) IN THE PRESENCE OF:

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

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

or

*Corporate Name*

\_\_\_\_\_  
by its authorized signatories:  
\_\_\_\_\_  
\_\_\_\_\_

SCHEDULE "A"  
SUBDIVISION PLAN

SCHEDULE "B"

SITE PLAN

SCHEDULE "C"

SUBLEASED PREMISES

Residential Unit #      CLSR

Located on a portion of those lands situate, lying, and being in the Tzeachten No. 13 Reserve, and more particularly known and described as Lot 381, CLSR Plan 107517, Tzeachten No. 13 and Lot 382, CLSR Plan 107517, Tzeachten No. 13;

SCHEDULE "D"

PERMITS, EASEMENTS, RIGHT OF WAYS

*To be completed as the Development proceeds*

SCHEDULE "E"

Schedule of Proportionate Share

## SCHEDULE "F"

**Interest on Destruction:**

Should there be a loss of a building(s) that cannot be restored, reconstructed or replaced then in such case the Sublessee will share in the insurance proceeds as provided in the Head Lease and the Sublease. In order to determine the Sublessee's share of the insurance proceeds in such case the Developer will determine the Sublessee's interest on destruction ("Interest on Destruction").

Interest on Destruction is based on the estimated market value of the Residential Units that are sold and controlled by AHC. Prior to completion of all the Residential Units controlled by AHC the Developer may amend the Interest on Destruction calculations as Residential Units are completed and sold. Once all of the Residential Units in Phase One are completed and sold the final numbers for Interest on Destruction will be finalized and distributed by AHC to the registered Subleasees. If a loss occurs prior to all the Residential Units in Phase One being completed and sold the Sublessee's Interest on Destruction calculation shall be determined based only on the Residential Units actually completed and sold at the time of the loss.

SCHEDULE "G"

Bylaws for Andmar Homeowners' Corp.

**Andmar**

Exhibit D

Equitable Charge

TERMS OF INSTRUMENT — PART 2

**EQUITABLE CHARGE AGREEMENT**

THIS INSTRUMENT dated for reference the \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_

BETWEEN:

\*\*\*

(hereinafter collectively referred to as the "Sublessee")

OF THE FIRST PART

AND:

**ANDMAR HOMEOWNERS' CORP.**  
c/o Homelife Advantage Property Management  
8387 Young Rd, Chilliwack, BC V2P 4N8

(hereinafter referred to as the "Corporation")

OF THE SECOND PART

WHEREAS:

- A. Andmar Development Corp. ("Andmar"). is the developer of certain lands located on the Tzeachten Indian Reserve No. 13, more particularly known and described as Lots 381 & 382 CLSR Plan 107(the "Development");
- B. The Development in phase one and phase two will consist of approximately 300 apartment style residential units;
- C. The Sublessee subleased a unit in the Development shown on subdivision plan CLSR \*\*\* and known as Unit \*\*\* (the "Unit");
- D. The Corporation was incorporated under the *Business Corporations Act* (British Columbia) to manage and maintain the common property for phases one and two of the Development for the benefit of all sublessees;

- E. The Sublessee shall obtain a none voting share in the Corporation upon the registration of the sublease;
- F. The Sublessee shall be required to pay monthly fees in an amount as determined from time to time by the Corporation ("Fees"); and
- G. To ensure a degree of financial certainty for the Corporation and the Sublessees, the Sublessee has agreed to grant an equitable charge in favour of the Corporation to secure payment of the Fees as herein provided.

NOW THEREFORE, in consideration of the premises and of the sum of TWO (\$2.00) DOLLARS now paid by each of the parties hereto to the other (the receipt and sufficiency whereof are hereby acknowledged), the parties hereto hereby covenant and agree with the other as follows:

1. COVENANT TO PAY FEES

1.1 The Sublessee covenants and agrees to pay to the Corporation, or as the Corporation may direct in writing, the Fees as and when due in accordance with the bylaws and rules of the Corporation.

1.2 All payments and notices required to be made or delivered by the Sublessee shall be made to the Corporation at c/o Homelife Advantage Property Management unless otherwise directed by the Corporation.

2. EQUITABLE CHARGE

2.1 The Sublessee hereby charges the Unit as and by way of an equitable charge in favour of the Corporation as security for the payment of the Fees and the observance of the obligations of the Sublessee to the Corporation in relation to the Fees.

2.2 Prior to enforcing the equitable charge, the Corporation shall give the Sublessee at least thirty (30) days' prior written notice and opportunity to cure or remedy the failure. The thirty (30) day period shall run from the time the Fees are due in accordance with the bylaws and rules of the Corporation.

2.3 The equitable charge creates no interest or tenure in the Unit other than as and by way of security for the payment of the Fees and the performance of the obligations of the Sublessee to the Corporation in respect of the Fees.

2.4 The equitable charge shall run with and bind the Unit and each and every part thereof. If the Sublessee transfers, assigns, or otherwise disposes of his/her interest in and to the Unit, or any portion thereof, the Sublessee shall cause the person acquiring his/her interest in the Unit, or a portion thereof, to assume all of the obligations of the Sublessee set forth in this instrument and will, at the Corporation's request, provide the Corporation with written evidence of the same.

2.5 Notwithstanding anything contained herein, neither the Sublessee named herein nor any future sublessee of the Unit or any portion thereof shall be liable under any of the covenants or agreements contained herein where such liability arises by reason of an act or omission occurring after the Sublessee named herein or any future sublessee ceases to have an interest in the Unit.

2.6 The Corporation agrees that the equitable charge set forth herein shall be subordinate to any mortgages that are granted by the Sublessee over the Unit provided the mortgage is not an affiliate of or otherwise related to the Sublessee and the mortgage is security for financing (including any replacement financing) granted to the Sublessee for the sole purpose of acquiring a registered and/or beneficial leasehold interest in the Unit. In confirmation of such subordination, the Corporation shall within five (5) business days execute and deliver any certificate, instrument of postponement or other instrument which may be requested by the Sublessee to give effect to such subordination.

### 3. GENERAL

3.1 Whenever the singular or masculine is used throughout this instrument, the same shall be construed as meaning the plural or feminine or the body corporate where the context or the patties hereto so require.

3.2 In this instrument, except as otherwise expressly provided:

- (a) "this instrument" means this instrument, and includes Part 1, Part 2, and all schedules, appendices, annexures and attachments, all of which shall be interpreted to form part of this instrument;
- (b) "person" includes any individual, firm, trust, partnership, corporation, government, government body or agency, and unincorporated body of persons;
- (c) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this instrument as a whole and not to any particular section, clause or other subdivision or schedule, appendix, annexure or attachment;
- (d) the headings are for convenience only and do not define or limit the scope, extent or intent of any provision hereof;
- (e) the singular of any term includes the plural, and vice versa, the use of any term is equally applicable to any gender and, where applicable, a body corporate;  
  
any reference to a statute includes and is a reference to that statute and to the regulations made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute or regulations that may be passed which has the effect of supplementing or, superseding that statute or regulations; and
- (f) any other term defined within the text of this instrument has the meaning so ascribed.

3.3 Except as otherwise stipulated herein:

- (a) this instrument shall enure to the benefit of and be binding upon the parties hereto, their heirs, executors, administrators, successors, and assigns respectively; and
- (b) all grants, rights, covenants, agreements, powers, privileges, and liabilities

herein shall be read and held as made by and with and granted to and imposed upon the parties hereto, their respective heirs, executors, administrators, successors, and assigns as if those words had been inserted and written in all proper and necessary places.

3.4 If a Sublessee is comprised of more than one person, then the obligation of the said persons under this instrument shall be joint and several.

3.5 If any section, subsection, sentence, clause or phrase in this instrument is for any reason held to be invalid by the decision of a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of this instrument.

3.6 Time shall be of the essence of this instrument.

3.7 Counterparts — This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered will be deemed an original, but all such counterparts will together constitute one and the same agreement. This Agreement may be executed and delivered by facsimile or other means of electronic communication in accordance herewith, which when so executed and delivered will constitute a binding agreement.

IN WITNESS WHEREOF the parties have executed this agreement as of the date first written above.

**ANDMAR HOMEOWNERS' CORP.**

Per:

---

ANDREW MACDONALD

Signed Sealed and Delivered by  
the Sublessee(s) in the presence of:

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\*\*\*

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\*\*\*

**Andmar**

Exhibit E

Proportionate Share Schedule

Preliminary Unit Entitlement For Phase 1 - May 27, 2026

(based on areas provided by developer)

<u>Building</u>	<u>Unit</u>	<u>Floor</u>	<u>Habitable Area in Square Metres</u>	<u>Unit Entitlement</u>	<u>% of Unit Entitlement</u>
1	201	2	67.9	68	0.40
1	202	2	67.9	68	0.40
1	203	2	95.0	95	0.56
1	204	2	36.2	36	0.21
1	205	2	100.7	101	0.59
1	206	2	63.2	63	0.37
1	207	2	63.3	63	0.37
1	208	2	62.2	62	0.36
1	209	2	63.3	63	0.37
1	210	2	95.6	96	0.56
1	211	2	97.7	98	0.57
1	212	2	65.4	65	0.38
1	301	3	67.9	68	0.40
1	302	3	67.9	68	0.40
1	303	3	95.0	95	0.56
1	304	3	36.2	36	0.21
1	305	3	100.7	101	0.59
1	306	3	63.2	63	0.37
1	307	3	63.3	63	0.37
1	308	3	62.2	62	0.36
1	309	3	63.3	63	0.37
1	310	3	95.6	96	0.56
1	311	3	97.7	98	0.57
1	312	3	65.4	65	0.38
1	401	4	67.9	68	0.40
1	402	4	67.9	68	0.40
1	403	4	95.0	95	0.56
1	404	4	36.2	36	0.21
1	405	4	100.7	101	0.59
1	406	4	63.2	63	0.37
1	407	4	63.3	63	0.37
1	408	4	62.2	62	0.36
1	409	4	63.3	63	0.37
1	410	4	95.6	96	0.56
1	411	4	97.7	98	0.57
1	412	4	65.4	65	0.38
1	501	5	67.9	68	0.40
1	502	5	67.9	68	0.40
1	503	5	95.0	95	0.56
1	504	5	36.2	36	0.21
1	505	5	100.7	101	0.59
1	506	5	63.2	63	0.37
1	507	5	63.3	63	0.37
1	508	5	62.2	62	0.36
1	509	5	63.3	63	0.37
1	510	5	95.6	96	0.56
1	511	5	97.7	98	0.57
1	512	5	65.4	65	0.38

Preliminary Unit Entitlement For Phase 1 - May 27, 2026  
 (based on areas provided by developer)

<u>Building</u>	<u>Unit</u>	<u>Floor</u>	<u>Habitable Area in Square Metres</u>	<u>Unit Entitlement</u>	<u>% of Unit Entitlement</u>
2	201	2	63.3	63	0.37
2	202	2	95.6	96	0.56
2	203	2	36.2	36	0.21
2	204	2	100.7	101	0.59
2	205	2	61.7	62	0.36
2	206	2	60.6	61	0.36
2	207	2	62.2	62	0.36
2	208	2	63.3	63	0.37
2	209	2	97.7	98	0.57
2	210	2	97.7	98	0.57
2	211	2	94.2	94	0.55
2	212	2	54.1	54	0.32
2	301	3	63.3	63	0.37
2	302	3	95.6	96	0.56
2	303	3	36.2	36	0.21
2	304	3	100.7	101	0.59
2	305	3	61.7	62	0.36
2	306	3	63.3	63	0.37
2	307	3	62.2	62	0.36
2	308	3	63.3	63	0.37
2	309	3	97.7	98	0.57
2	310	3	97.7	98	0.57
2	311	3	94.2	94	0.55
2	312	3	54.1	54	0.32
2	401	4	63.3	63	0.37
2	402	4	95.6	96	0.56
2	403	4	36.2	36	0.21
2	404	4	100.7	101	0.59
2	405	4	61.7	62	0.36
2	406	4	63.3	63	0.37
2	407	4	62.2	62	0.36
2	408	4	63.3	63	0.37
2	409	4	97.7	98	0.57
2	410	4	97.7	98	0.57
2	411	4	94.2	94	0.55
2	412	4	54.1	54	0.32
2	501	5	63.3	63	0.37
2	502	5	95.6	96	0.56
2	503	5	36.2	36	0.21
2	504	5	100.7	101	0.59
2	505	5	61.7	62	0.36
2	506	5	63.3	63	0.37
2	507	5	62.2	62	0.36
2	508	5	63.3	63	0.37
2	509	5	97.7	98	0.57
2	510	5	97.7	98	0.57
2	511	5	94.2	94	0.55
2	512	5	54.1	54	0.32

Preliminary Unit Entitlement For Phase 1 - May 27, 2026  
(based on areas provided by developer)

<u>Building</u>	<u>Unit</u>	<u>Floor</u>	<u>Habitable Area in Square Metres</u>	<u>Unit Entitlement</u>	<u>% of Unit Entitlement</u>
3	201	2	51.8	52	0.30
3	202	2	64.1	64	0.38
3	203	2	46.6	47	0.28
3	204	2	44.3	44	0.26
3	205	2	79.2	79	0.46
3	206	2	88.7	89	0.52
3	207	2	61.3	61	0.36
3	208	2	61.3	61	0.36
3	209	2	60.3	60	0.35
3	210	2	43.4	43	0.25
3	211	2	76.0	76	0.45
3	212	2	95.9	96	0.56
3	301	3	51.8	52	0.30
3	302	3	60.4	60	0.35
3	303	3	46.8	47	0.28
3	304	3	44.3	44	0.26
3	305	3	79.2	79	0.46
3	306	3	88.7	89	0.52
3	307	3	61.3	61	0.36
3	308	3	61.3	61	0.36
3	309	3	63.8	64	0.38
3	310	3	43.4	43	0.25
3	311	3	76.0	76	0.45
3	312	3	95.9	96	0.56
3	401	4	51.8	52	0.30
3	402	4	61.0	61	0.36
3	403	4	46.8	47	0.28
3	404	4	44.3	44	0.26
3	405	4	79.2	79	0.46
3	406	4	88.7	89	0.52
3	407	4	61.3	61	0.36
3	408	4	61.3	61	0.36
3	409	4	63.8	64	0.38
3	410	4	43.4	43	0.25
3	411	4	76.0	76	0.45
3	412	4	95.9	96	0.56
3	501	5	51.8	52	0.30
3	502	5	61.0	61	0.36
3	503	5	46.8	47	0.28
3	504	5	44.3	44	0.26
3	505	5	79.2	79	0.46
3	506	5	88.7	89	0.52
3	507	5	61.3	61	0.36
3	508	5	61.3	61	0.36
3	509	5	63.8	64	0.38
3	510	5	43.4	43	0.25
3	511	5	76.0	76	0.45
3	512	5	95.9	96	0.56

Preliminary Unit Entitlement For Phase 1 - May 27, 2026  
(based on areas provided by developer)

<u>Building</u>	<u>Unit</u>	<u>Floor</u>	<u>Habitable Area in Square Metres</u>	<u>Unit Entitlement</u>	<u>% of Unit Entitlement</u>
4	201	2	76.9	77	0.45
4	202	2	58.9	59	0.35
4	203	2	64.5	64	0.38
4	204	2	62.6	63	0.37
4	205	2	62.2	62	0.36
4	206	2	58.8	59	0.35
4	207	2	80.2	80	0.47
4	208	2	54.3	54	0.32
4	209	2	64.2	64	0.38
4	210	2	64.2	64	0.38
4	211	2	46.2	46	0.27
4	212	2	76.2	76	0.45
4	301	3	76.9	77	0.45
4	302	3	58.9	59	0.35
4	303	3	64.5	64	0.38
4	304	3	62.6	63	0.37
4	305	3	62.2	62	0.36
4	306	3	58.8	59	0.35
4	307	3	81.3	81	0.47
4	308	3	77.3	77	0.45
4	309	3	38.2	38	0.22
4	310	3	54.3	54	0.32
4	311	3	64.2	64	0.38
4	312	3	64.2	64	0.38
4	313	3	46.2	46	0.27
4	314	3	76.2	76	0.45
4	401	4	76.9	77	0.45
4	402	4	58.9	59	0.35
4	403	4	64.5	64	0.38
4	404	4	62.6	63	0.37
4	405	4	62.2	62	0.36
4	406	4	58.8	59	0.35
4	407	4	81.3	81	0.47
4	408	4	77.3	77	0.45
4	409	4	38.2	38	0.22
4	410	4	54.3	54	0.32
4	411	4	64.2	64	0.38
4	412	4	64.2	64	0.38
4	413	4	46.2	46	0.27
4	414	4	76.2	76	0.45
4	501	5	76.9	77	0.45
4	502	5	58.9	59	0.35
4	503	5	64.5	64	0.38
4	504	5	62.6	63	0.37
4	505	5	62.2	62	0.36
4	506	5	58.8	59	0.35
4	507	5	81.3	81	0.47

Preliminary Unit Entitlement For Phase 1 - May 27, 2026  
 (based on areas provided by developer)

<u>Building</u>	<u>Unit</u>	<u>Floor</u>	<u>Habitable Area in Square Metres</u>	<u>Unit Entitlement</u>	<u>% of Unit Entitlement</u>
4	508	5	77.3	77	0.45
4	509	5	38.2	38	0.22
4	510	5	54.3	54	0.32
4	511	5	64.2	64	0.38
4	512	5	64.2	64	0.38
4	513	5	46.2	46	0.27
4	514	5	76.2	76	0.45
4	601	6	76.9	77	0.45
4	602	6	58.9	59	0.35
4	603	6	63.3	63	0.37
4	604	6	61.4	61	0.36
4	605	6	62.2	62	0.36
4	606	6	58.8	59	0.35
4	607	6	81.3	81	0.47
4	608	6	77.3	77	0.45
4	609	6	38.2	38	0.22
4	610	6	54.3	54	0.32
4	611	6	63.0	63	0.37
4	612	6	63.0	63	0.37
4	613	6	46.2	46	0.27
4	614	6	76.2	76	0.45

Preliminary Unit Entitlement For Phase 1 - May 27, 2026  
 (based on areas provided by developer)

<u>Building</u>	<u>Unit</u>	<u>Floor</u>	<u>Habitable Area in Square Metres</u>	<u>Unit Entitlement</u>	<u>% of Unit Entitlement</u>
5	201	2	51.1	51	0.30
5	202	2	66.0	66	0.39
5	203	2	77.1	77	0.45
5	204	2	85.9	86	0.50
5	205	2	98.9	99	0.58
5	206	2	98.9	99	0.58
5	207	2	101.3	101	0.59
5	208	2	102.7	103	0.60
5	209	2	59.9	60	0.35
5	210	2	64.1	64	0.38
5	211	2	60.9	61	0.36
5	301	3	51.1	51	0.30
5	302	3	66.0	66	0.39
5	303	3	77.1	77	0.45
5	304	3	85.9	86	0.50
5	305	3	98.9	99	0.58
5	306	3	98.9	99	0.58
5	307	3	101.3	101	0.59
5	308	3	102.7	103	0.60
5	309	3	59.9	60	0.35
5	310	3	64.1	64	0.38
5	311	3	60.9	61	0.36
5	401	4	51.1	51	0.30
5	402	4	66.0	66	0.39
5	403	4	77.1	77	0.45
5	404	4	85.9	86	0.50
5	405	4	98.9	99	0.58
5	406	4	98.9	99	0.58
5	407	4	101.3	101	0.59
5	408	4	102.7	103	0.60
5	409	4	59.9	60	0.35
5	410	4	64.1	64	0.38
5	411	4	60.9	61	0.36

TOTAL NUMBER  
 OF UNITS = 245

TOAL UNIT ENTITLEMENT  
 17060

**Andmar**

Exhibit F

Interest of Destruction

Should there be a loss of a building(s) that cannot be restored, reconstructed or replaced then in such case the Sublessee will share in the insurance proceeds as provided in the Head Lease and the Sublease. In order to determine the Sublessee's share of the insurance proceeds in such case the Developer will determine the Sublessee's interest on destruction ("Interest on Destruction").

Interest on Destruction is based on the estimated market value of the Residential Units that are sold and controlled by AHC. Prior to completion of all the Residential Units controlled by AHC the Developer may amend the Interest on Destruction calculations as Residential Units are completed and sold. Once all of the Residential Units in Phase 1 are completed and sold the final numbers for Interest on Destruction will be finalized. If a loss occurs prior to all the Residential Units in Phase 1 being completed and sold the Sublessee's Interest on Destruction calculation shall be determined based only on the Residential Units actually completed and sold at the time of the loss.

**Andmar**

Exhibit G

New Home Warranty

Protecting  
your investment



Congratulations on purchasing your new home!

Buying a home is one of the largest purchases you'll ever make. At **National Home Warranty Group**, we recognize how important it is to protect your investment – that's why we've partnered with your licensed builder to provide you with new home warranty insurance coverage.

Enjoy your home with confidence knowing that our builder partners are committed to building homes to the standards of service and quality required by the **Homeowner Protection Act**. And, if any warranted issues arise in your new home, you're covered\* with your new home warranty.

## New Home Warranty Insurance

New homes built in British Columbia are protected by 2-5-10 year home warranty insurance, as set out by the province's **Homeowner Protection Act**.

Your new home's mandatory warranty insurance includes:

Coverage within the first **2 years** on labour and materials

- ✓ 12 months coverage for defects in material and labour for your unit
- ✓ 15 months coverage for defects in material and labour for the common property in multi-unit buildings
- ✓ 24 months coverage for defects in material and labour for major systems (e.g. heating, electrical and plumbing)

**5 years** coverage for the building envelope, including coverage on unintended water penetration

**10 years** coverage for major structural items

To learn more about consumer protection legislation and regulations, visit [hpo.bc.ca](http://hpo.bc.ca)



Standards of  
quality



As experts in the residential construction and insurance businesses respectively, National Home Warranty and Aviva Insurance Company of Canada\*\* work in partnership to provide new home warranty services to thousands of homeowners in Western Canada.

We work closely with our builder partners and only provide home warranty services when we're confident they can deliver homes with quality workmanship. You can trust us knowing your new home warranty has you covered\* and we'll work with your builder to resolve any warranted defects in your new home.

# **Andmar**

## Exhibit H

Purchase contracts: Andmar 1 & 2

# ***ANDMAR PURCHASE CONTRACT***

## ***PHASE 1***

### ***Andmar 1 North Tower***

**THIS ANDMAR PURCHASE CONTRACT RELATES TO A RESIDENTIAL DEVELOPMENT LOCATED AT CHILLIWACK, B.C. ON FEDERAL CROWN LANDS HELD IN RESERVE FOR THE TZEACHTEN FIRST NATIONS ("TFN").**

This agreement is dated for reference the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_ .

**BETWEEN:**

**ANDMAR DEVELOPMENT CORP.**, a British Columbia company with a registered and records office located at #201 – 585 16<sup>th</sup> Street, West Vancouver, BC, V7V 3R8,

(Hereinafter referred to as the "Seller")

**AND:**

Name(s): \_\_\_\_\_

\_\_\_\_\_

Address:

\_\_\_\_\_

Contact

Information: Tel(s): \_\_\_\_\_ Email: \_\_\_\_\_

Resident of Canada: YES/NO

(Hereinafter referred to as "Buyer")

Buyer

Buyer

Seller

# ***ANDMAR PURCHASE CONTRACT***

## ***PHASE 1***

### ***Andmar 1 North Tower***

The Buyer irrevocably offers to acquire from the Seller a sublease interest in Unit No. \_\_\_\_  
\_\_\_\_ Lot \_\_\_\_\_, 46185 Thomas Road (the "Unit") for the Purchase Price of \$  
. together with a builder's appliance package, blinds, one parking stall and an underground  
garage door opener. The Unit will be located on a portion of the lands (the "Lands") and  
currently legally described Tzeachten Indian Reserve No. 13, more particularly known and described  
as Lot 800 CLSR 112099 PIN: 903034362, the legal description of which for each Unit will be  
determined upon registration of the future subdivision plan. (the "Lands"). The location and  
approximate size of which Unit is shown on Schedule "B" to this Agreement. The Purchase  
Price does not include any taxes that may be applicable at the time of closing which must be  
paid by the Buyer in addition to the Purchase Price. Under current legislation no Federal GST  
is applicable to the Purchase Price.

The Purchase Price shall be paid as follows:

#### **A: For all Buyers except investors:**

1. A DEPOSIT, of 5% is due and payable within 24 hours of subject removal;  
and
2. The BALANCE of the Price (the "**Balance**") subject to adjustments, shall be  
payable to the Seller on the Closing Date (hereinafter defined) by solicitor's or  
notary's trust cheque, bank draft drawn on a Canadian chartered bank or by  
direct deposit or wire of funds from a solicitor or Notary Public at the Buyer's  
expense.
3. If the Buyer is getting a mortgage please indicate if the mortgage will be a  
CMHC insured mortgage: **Please circle appropriate response:** yes no

#### **B. If the Buyer is an investor either personal or through a corporation:**

1. A DEPOSIT, of 7.5% is due and payable within 24 hours of subject  
removal;
2. A SECOND DEPOSIT, being 7.5% of the Purchase Price, is due within 14  
days from the date the Seller notifies the Buyer in writing that the Seller has  
met all of the presale conditions imposed by the Seller's construction loan  
lender. (see Section 2.10 in Schedule "A");  
and
2. THE BALANCE of the Price (the "**Balance**") subject to adjustments, shall be  
payable to the Seller on the Closing Date (hereinafter defined) by solicitor's or

# ***ANDMAR PURCHASE CONTRACT***

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notary's trust cheque, bank draft drawn on a Canadian chartered bank or by direct deposit or wire of funds from a solicitor or Notary Public at the Buyer's expense.

**Schedule "A" attached hereto forms part of the terms and conditions of this Agreement.**

The Buyer acknowledges that:

- a) The location of the Lot is as described on Schedule "B" hereto;
- b) The Unit will be as described on Schedule "B" hereto; and
- c) In addition to the Purchase Price, unless the Buyer is financing with a CMHC mortgage, the Sublease shall obligate the Buyer to monthly Sublease payments of \$75.00 each, commencing January 1, 2030 which will be adjusted thereafter annually by an amount equal to the increase or decrease of the Consumer Price Index for Vancouver, British Columbia.

#### **ACKNOWLEDGMENT OF RECEIPT**

The Buyer hereby acknowledges and agrees that the Buyer has been provided with copies of the amended Information Statement dated May 16, 2025, the Headlease, the form of Sublease, the form of Equitable Charge Agreement, the form of Relinquishing Control Agreement and the Bylaws in relation to the Development prior to execution of this Contract.

The Buyer acknowledges that if this offer is accepted by the Seller, the Buyer hereby agrees to purchase all of the Seller's right, title and sublease interest in the Unit hereinbefore described which is built or will be built in accordance with the plans and specifications annexed hereto as Schedule "B", denoting the floor plan and site plan of the unit.

The Seller reserves the right to allocate the parking stall(s) and storage lockers (if applicable) in its sole discretion without consultation with the Buyer. The parking stalls and storage lockers in the Development may vary in size, shape and convenience of location, and may be partially obstructed by equipment and other facilities.

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

Buyer

Buyer

Seller

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**1.05 Acceptance.** This offer will be open for acceptance on presentation until 11:59 p.m. the third day after the date of this offer and upon acceptance by the Seller it shall be a binding agreement for purchase and sale on the terms and conditions herein contained.

DATED at Chilliwack, British Columbia this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

Witness \_\_\_\_\_ Buyer \_\_\_\_\_

Witness \_\_\_\_\_ Buyer \_\_\_\_\_

This offer is accepted by the Seller on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_,

**Andmar Development Corp.**

**Per:**

\_\_\_\_\_  
Authorized Signatory

Buyer

Buyer

Seller

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#### **SCHEDULE "A"**

##### **1. DEPOSIT**

All Deposits shall be paid by the Buyer by way of a bank draft made payable to the Seller's lawyers Lindsay Kenney LLP, "in trust". The Deposit shall be held in a trust account of the Seller's lawyer, as stakeholder, and:

- (a) except as provided in paragraphs 2.2, 2.6, 2.10, 4.1, 4.2, 5.2, 6 and 8 hereof, and subject to the Buyer completing the purchase on the Closing Date, the Deposit shall be credited to the Buyer on the Closing Date;
- (b) the Deposit shall be paid to the Seller on the Closing Date upon satisfactory completion of this transaction; and
- (c) in the circumstances provided for in paragraphs 2.2, 2.6, 2.10, 4.1, 4.2, 5.2, 6 and 8 shall be paid as therein provided.

Execution of this Agreement shall constitute written direction and authority of the Seller, the Seller's lawyer, as stakeholder, and the Buyer to pay the Deposit as set forth herein without further written direction of authorization of the Buyer or the Seller.

Should the Developer choose to have its solicitors place the Deposit in an interest bearing trust account any interest earned on the Deposit shall be for the account of the Developer and the solicitors for the Developer are irrevocably authorized to pay any interest earned on the Deposit to the Developer.

##### **COMPLETION DATE**

2.1 The completion date is \_\_\_\_\_.

If by \_\_\_\_\_ (or if a later date results from the application of paragraph 2.2 2.3, then by such later date) (the "Cancellation Date"), the Seller has not notified the

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Buyer pursuant to paragraph 2.1 then, the Buyer may, by written notice to the Seller, no earlier than 60 days following the Cancellation Date cancel this Contract, and the Buyer will be entitled to receive the Deposit paid by the Buyer under this Contract, and the interest, if any, which may have accrued thereon. Thereafter, this Contract shall be terminated and of no further force or effect and the Buyer and the Seller shall be deemed to have each released the other from all liabilities and obligations hereunder and neither party shall have any further claims against the other for damages, costs or expenses.

- 2.3 If the Seller is delayed from completing the unit as a result of fire, explosion or accident, howsoever caused, act of any government authority, strike, lockout, inability to obtain or delay in obtaining labour, materials or equipment, flood, act of God, delay or failure by carriers or contractors, unavailability of supplies or materials, breakage or other casualty, climatic conditions, interference of the Buyer, or any other event beyond the control of the Seller, then the Completion Date and the Cancellation Date, will be extended for a period equivalent to such period of delay and a certificate issued by the Seller setting out the cause of the delay and the period of delay shall be conclusive proof of the period of equivalent extension to the Completion Date.
- 2.4 **The Adjustment Date:** 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 Possession Date.
- 2.5 **The Possession Date** will be one day following the Completion Date.
- 2.6 **The Move in Date** will be provided to each Sublessee on or before the Completion Date.
- 2.7 If the Seller is unable to complete the sale and purchase contemplated herein by the Cancellation Date (as it may be extended as provided in Paragraph 2.3) the Deposit shall be returned to the Buyer as its sole remedy, this Agreement shall be null and void and the Seller shall not be liable for any damages whatsoever.
- 2.8 If the Completion Date is a Saturday, Sunday, holiday or a day upon which the TFN Lands Office is not open for business, the Completion Date shall be the immediately succeeding

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### ***Andmar 1 North Tower***

business day.

- 2.9 The Purchase Price includes: the Developer's appliance package, blinds, one parking stall, and underground parking gate opener.
- 2.10 The Buyer acknowledges that the estimated date for completion of construction set out in the Information Statement has been provided by the Seller as a matter of convenience only and is not meant to be legally binding upon the Seller and that the actual Completion Date will be established in the manner set out above.
- 2.11 The Developer has met its presale requirements for Andmar 1.

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#### **3. CLOSING PROCEDURES**

3.1 For the purposes of this Agreement the following words and phrases have the following meaning:

- (a) Sublease means the sublease entered into between the Seller and the Buyer setting out the rights and restrictions between the parties which sublease will be registered in the First Nations Land Registry (“FNLR”);
- (b) Equitable Charge Agreement (“ECA”) means an agreement entered into between the Buyer and Andmar Homeowners’ Corporation (“AHC”) and will secure any amounts due but not paid by any sublessee to Andmar Homeowners’ Corp;
- (c) Control Relinquishing Agreement (“CRA”) means an agreement that will be entered into between the Seller and the Buyer and which agreement provides for relinquishing of control of Andmar Homeowners’ Corp to the subleases after the sale of all of the Units have completed;
- (d) Title Insurance means a policy of insurance obtained from a title insurance company by the Buyer and at the Buyer’s cost and that contains GAP coverage assuring title to the Buyer notwithstanding registration numbers from the FNLR have not yet been received at the time the Purchase Price is paid to the Seller.
- (e) Notice of Completion means a notice issued by the Tzeachten First Nation allowing occupancy of the Unit by a Buyer.

3.2 The Sellers’s lawyers shall provide an information package to the Buyer’s solicitors or notary public which information package shall contain a form of the sublease, the ECA and the CRA for completion by the Buyer’s solicitors or notary public and which information package (together with any other required forms) and a legend on how they are to be completed in order to register the Sublease and the ECA and the Buyer’s

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mortgage (if applicable) in the TFN Land Office and the FNLR and all such other information as may be required by the Buyer's solicitor or notary public to prepare all of the necessary conveyance documents.

- 3.3 The Buyer shall be responsible for the preparation of the documents necessary to complete this transaction including but not limited to the sublease, the ECA, the RCA the Buyer's statement of adjustments, Buyer's mortgage and all supporting documents, to effect a transfer of the sublease interest to the Buyer. The Buyer shall deliver the purchase documents to the Seller's solicitor at least three (3) days prior to the Completion Date for execution by the Seller.
- 3.4 As a closing delivery, the Seller shall provide to the Buyer a "Notice of Completion". for the Unit.
- 3.5 On the Closing Date, the Seller shall, subject to paragraph 3.6, deliver an executed Sublease, ECA and CRA for the Unit to the Buyer. The Seller's title shall be free and clear of all financial charges (except for those encumbrances described in the Information Statement as existing encumbrances, proposed encumbrances, easements, permits, rights of way and any development covenants or agreements in favor of utilities, public authorities, and other parties as required by them and those encumbrances to be discharged by the Seller from the proceeds of sale of the Unit) and the Buyer shall deliver the Purchase Price in trust to the Seller's lawyer by a solicitor's or notary's trust cheque, bank draft drawn on a Canadian chartered bank or by direct deposit or wire of funds from a solicitor or Notary Public at the Buyer's expense. The Buyer's solicitor or notary public shall submit the Sublease and the ECA to the TFN Lands Office following which the TFN Lands Office shall register the Sublease and ECA in the First Nations Land Registry. On receipt of written confirmation from the Buyer's solicitor or notary public that the Sublease and the ECA have been submitted for registration and title insurance is in place the Purchase Price shall be delivered and released to the Seller at the Buyer's expense and the Buyer shall, without cost to the buyer, be registered as a shareholder of AHC which corporation will control the common property of the Development.
- 3.6 If the Seller has existing financial charges to be discharged from title the Seller, while still required to discharge such financial charges the Seller may wait to pay and discharge same upon receipt of the Purchase Price. The Seller shall bear all cost of discharging

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such financial charges.

- 3.7 If the Buyer is relying on a new mortgage to finance the Purchase Price, the Buyer shall be at liberty to submit the Sublease and the ECA to the TFN Land Registry, but only if, before such submission, the Buyer has:
- (a) Made available for tender to the Seller's solicitors that portion of the Purchase Price not secured by the new mortgage; and
  - (b) Fulfilled all the new mortgagee's conditions for funding except submitting the new mortgage for registration; and
  - (c) Made available to the Seller's solicitors, a solicitor's or notary public's undertaking to pay the Purchase Price upon the lodging of the Sublease and new mortgage documents and the advance by the mortgagee of the mortgage proceeds pursuant to the undertakings placed on the Buyer's solicitor by the Seller's solicitors.
4. The Deposit shall be dealt with as follows:
- 4.1 The Seller and the Buyer agree that the Deposit constitutes a genuine pre-estimate of the damages the Seller will suffer as a result of the failure to complete the purchase of the Unit in default of his or her obligations hereunder. If the Buyer fails to complete the purchase of the Unit in default of his or her obligations hereunder, then subject to Section 6 (b) of this Schedule A, the Seller may elect to terminate this Contract and, in such event, the Deposit will be absolutely forfeited to the Seller as liquidated damages, without prejudice to any other remedy which the Seller may have in respect of the Buyer's failure to complete the purchase and sale of the Unit.
- 4.2 If the Seller fails to complete the sale of the Unit, then the Deposit paid shall be paid to the Buyer as the Buyer's sole remedy and the Buyer shall have no further claims against the Seller.

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#### **5. Risk, Adjustment, Possession, and Move In.**

- 5.1 The Buyer will assume all taxes, rates, local improvement assessments, water rates and scavenging rates, assessments of AHC and all other adjustments both incoming and outgoing of whatever nature in respect of the Unit, including an adjustment to credit the Seller with the Buyer's share of the prepaid insurance premium (if any) for the Development, and all such adjustments shall be made as of the Possession Date. The Buyer is responsible for all utility charges as of the Possession Date and must ensure they notify the necessary utility companies to have the utilities transferred into his/her name on the Possession Date. In the event the Buyer does not transfer the utilities into their name as of the Possession Date, any charges to the Seller that should be the Buyer's responsibility will be paid to the Seller in full within five business days after notification. If said amount is not paid within the five business day period a \$50.00 charge will be applied to the outstanding amount and if such transfer and such payment is not made within the said five day period the Seller is irrevocably authorized to advise the utility company to discontinue the service.
- 5.2 The Unit shall be at the risk of the Seller until and including the day preceding the Completion Date and in the event of major loss or damage to the same occurring before such time by reason of tempest, lightning, earthquake, flood or other Act of God, fire or explosion which is not repaired prior to the Completion Date, the Buyer, at the Buyer's option, may cancel this Agreement and in such event shall thereupon be entitled to the return of any moneys paid hereunder, and in such event neither the Seller nor the Buyer shall have any further obligations or liability whatsoever hereunder. The Unit shall be at the risk of the Buyer from and including the Completion Date.
- 5.3 So long as the Purchase Price and all other amounts payable by the Buyer to the Seller in respect of the Unit have been paid in full, the Buyer may have possession of the Residential Unit on the day following the Completion Date (the "Possession Date"). Possession Date means the date the Buyer is given the keys to the Unit but move in is subject always to the Move In Date.
- 5.4 Notwithstanding the Possession Date is on the day following the Completion Date Possession Date does not mean the date on which a Buyer can move in his/her furniture

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or other items that require locking off the elevators. Move In Date will be scheduled by the Developer in order of the date the Buyers Purchase Contract was signed and accepted by the Developer.

6. **Time is of the essence.** Time will be of the essence hereof and unless all payments on account of the Purchase Price, together with adjustments thereto, as provided herein, and all other amounts payable hereunder are paid when due, then the Seller may, at its option:

a) Terminate this Contract by written notice to the Buyer and, in such event, the Deposit will be absolutely forfeited to the Seller as liquidated damages. The parties agree that the Deposit constitutes a genuine pre-estimate of some of the damages the Seller will suffer as a result of the Buyer's failure to pay, when due, any payment on account of the Purchase Price, together with adjustments thereto as provided herein, or any other amounts payable hereunder, without prejudice to the Seller's other remedies including, without limitation, the right of the Seller to pursue additional damages or seek specific performance; or

b) Elect to extend the Completion Date to a certain date determined by the Seller, time to remain of the essence hereof and subject to the Seller's right in its sole discretion, to grant further extensions to a certain date each time, in which event the Buyer will pay to the Seller, in addition to the Purchase Price, interest on the unpaid portion of the Purchase Price and other unpaid amounts payable hereunder at the rate of 2% per month compounded monthly (approximately 27% per annum), calculated daily and compounded monthly, not in advance, from the date upon which such portion and amounts were due to the date upon which such portion and amounts are paid.

c) The Seller may cancel this Contract pursuant to subsection 6(a) of this Schedule "A" at any time after extending the Completion Date pursuant to 6(b) of this Schedule "A" if the Buyer fails to complete on or before such extended date.

7. **Entire Contract/Representations.** The Buyer acknowledges and agrees that this Contract constitutes the entire agreement between the parties with respect to the sale and purchase of the Unit and supersedes any prior agreements, negotiations or discussions, whether oral or written, of the Seller and the Buyer, and that there are no representations, warranties, conditions

Buyer

Buyer

Seller

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or collateral contracts, expressed or implied, statutory or otherwise, or applicable hereto, made by the Seller, its agents or employees, or any other person on behalf of the Seller, other than those contained herein and in the Information Statement, including, without limitation, arising out of any sales brochures, models, websites, representative view sets, showroom displays, photographs, illustrations or renderings or other marketing materials provided to the Buyer or made available for his or her viewing. In particular, the Buyer acknowledges and agrees that the materials, specifications, details, dimensions and floor plans set out in any materials viewed by the Buyer are approximate and subject to change without notice in order to comply with building site conditions and architectural requirements.

8. **Construction.** The Seller will cause the Unit to be constructed and completed in a good and workmanlike manner substantially in accordance with the plans and specifications (the "Plans and Specifications") for the Development prepared by the designer subject to any changes required by the Architect or TFN. The Seller may make alterations to the features, design and layout of the Units which are desirable in the reasonable discretion of the Seller and may use materials other than as prescribed in the Plans and Specifications if they are reasonably similar to what is prescribed. The Seller reserves the right to alter the common property of the Development at any time and from time to time if, in its sole opinion, such alteration or alterations improve the structural integrity of the Development, its mechanical systems, its ability to withstand water penetration or aesthetics. The Buyer is aware that the preliminary proposed plan attached hereto as Schedule "B" (the "Preliminary Plan") is based on architectural drawings and measurements. The actual size dimensions and/or configuration of the Unit including any balcony, patio or deck, as set forth in the final proposed plan for the Development may vary from what is depicted on the Preliminary Plan.

The areas and dimensions of the Units in the Development set out in the marketing materials referred to in section 7 of this Schedule "A", including balconies, patios and decks, are approximate, based on architectural drawings and provided for reference purposes only, and are not represented as being the actual final areas and dimensions. The Buyer is aware that the square footage area of the Unit is approximate and agrees that the area may be larger, or 3% smaller, than indicated for the Unit in the Information Statement, when measured in the same manner as provided therein. If the Unit is more than 3% smaller, the Purchase Price will be reduced by a percentage equal to the percentage by which the Unit is more than 3% smaller. If the Unit is more than 10% smaller than indicated in the Information Statement the Buyer may, by written notice delivered to the Seller prior to the Closing Date, elect to have the Purchase Price adjusted as aforesaid or cancel this Contract. If the Buyer elects to cancel this Contract, the Deposit will be paid to the Buyer and this Contract

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will be null and void and there shall be no further obligations of the Seller to the Buyer. If the Buyer elects to complete the purchase of the Unit, the Buyer will have no claim against the Seller other than for adjustment to the Purchase Price as aforesaid;

The Buyer acknowledges that the Development will include service facilities and equipment required in connection therewith such as transformers, fire hydrants, vents, ducts, fans and other such facilities and equipment (the "Service Facilities"). The Service Facilities will be located within the Development as required by the City of Chilliwack or recommended by the Seller's consultants. The Buyer acknowledges that the current plans for the Development may not indicate the location of all the Service Facilities and that the Vendor reserves the right to relocate, add or delete all or a portion of the Service Facilities as deemed necessary by the Seller, without compensation to the Buyer.

The Buyer shall make the selection of color scheme, materials and optional items (to the extent the Seller permits such selection to be made) and pay any additional costs therefor, promptly when requested to do so by the Seller. If the Buyer fails to pay any additional costs therefor promptly when requested by the Vendor, the Seller will not install such colour scheme, material and/or optional items selected by the Buyer, and the Seller will install the standard finishing of the Development, which the Buyer hereby approves and accepts.

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

**9. Buyer Acknowledgements.** The Buyer acknowledges and agrees that the civic address of the Development, and the Unit number assigned to the Unit and the number assigned to the floor in the Development on which the Unit is located are subject to change as determined by the Seller.

**10. Inspection.** The Seller warrants that on the Completion Date the Unit and the common property of the Development will be registered under a third party new home warranty provider. The Buyer or his or her representative will have the right to inspect the Unit with a representative

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of the Seller at a reasonable time designated by the Seller by written notice or by telephone prior to the Completion Date and a refusal or failure by the Buyer to inspect the Unit at such time will be deemed to be a waiver and forfeiture of such right. The Buyer may, at his or her option, forfeit this inspection and will be deemed to be satisfied with and to have accepted the physical condition of the Unit (including the existing kitchen, bathrooms and other Installations, equipment, appliances and furnishings) on the Completion Date. At the conclusion of such inspection, a conclusive list of any defect or deficiencies (the "Deficiencies") will be prepared by the Seller which are to be rectified by the Seller. The parties will sign the list of deficiencies and the Buyer will be deemed to be satisfied with and to have accepted the physical condition of the Unit (including the existing kitchen, bathrooms and other installations, equipment, appliances and furnishings) subject only to the Deficiencies.

If the Buyer does not sign the list of Deficiencies the Buyer will be deemed to be satisfied with and to have accepted the physical condition of the Unit (including the existing kitchen, bathroom and other installations, equipment, appliances and furnishings). The Buyer covenants and agrees to complete the purchase of the Unit on the Completion Date on the terms and conditions herein contained notwithstanding that the Deficiencies may have to be rectified subsequent to the Completion Date. The Buyer will not be allowed to have access to the Unit except for the deficiency inspection prior to the Possession Date. No holdback will be made on the Completion Date in respect of the Deficiencies or other deficiencies. In the event of a disagreement between the Buyer and the Seller as to what constitutes a defect or deficiency, or whether or not a defect or deficiency has been rectified, the decision of the Designer or any replacement party therefor appointed by the Seller, will be conclusive, final and binding on the parties.

11. **Costs.** The Buyer will pay costs in connection with the purchase of the Sublease for the Unit including property transfer tax payable to TFN ("FNPPT") and any other tax required to be paid by the Buyer in connection with the purchase and sale of the Unit and the equipment and appliances (if any) included with the Unit. Without limiting the generality of the foregoing, the Buyer agrees that the Purchase Price does not include any applicable taxes, including FNPPT or any other federal or provincial sales, service, value added or other tax that may be applicable to the sale of the Unit hereunder whether levied against the Buyer or the Seller, all of which shall be payable by the Buyer on the Completion Date in addition to the Purchase Price.

12. **Assignment.** The Buyer, upon receiving the written consent of the Seller may assign his

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or her interest in the Unit under this Contract:

To a company that is controlled by the Buyer or to the Buyer's spouse, sibling, parent, child, grandparent or grandchild, provided that the Buyer must provide the Seller with information reasonably satisfactory to the Seller confirming that the Buyer controls the assignee company or confirming the relationship of the assignee to the Buyer; or

At any time after the date that the Seller has entered into binding purchase and sale agreements (where all subject conditions in favor of the Buyer have been satisfied or waived) for all of the Units in the Development (the "Sell-out Date"), to any other person.

If the Seller consents to an assignment, the Seller will convey the Unit to the person designated by the Buyer, in the case of an assignment under section 12(a), an administration fee of \$300 (plus all applicable First Nations, or applicable federal or provincial sales, service, value added or other tax required) and in the case of an assignment under section 12(b), an administration fee of 0.5% of the Purchase Price (plus all applicable First Nations, or applicable federal or provincial sales, service, value added or other tax required) as consideration for agreeing to an assignment of the Buyer's Interest in the Unit or in this Contract and for any associated legal and administrative costs to be paid to the Seller on or before the Completion Date. Any assignment under section 12(b) will not be valid until the Seller receives from the assignee the Assignee's Deposit. Following any assignment the assignor will not be relieved of his or her obligations hereunder but will continue to remain liable to perform an obligations of the Buyer under this Contract notwithstanding any amendment of the terms hereof whether or not the assignor has notice of any such amendment. The Buyer will not advertise or solicit offers from the public with respect to the resale of the Unit by the Buyer before the Sell-out Date and in particular, will not list the Unit or the Buyer's interest in this Contract on any Multiple listing Service (MLS) prior to the Sell-out Date. The Seller, in its sole discretion, may withhold its consent to any assignment not listed in paragraphs 12 (a) and 12 (b) above.

13. **Continuing Construction and Marketing.** The Buyer agrees that the Seller may continue to carry out construction work on the Development after the completion of the purchase of the Unit by the Buyer. The Buyer acknowledges and accepts that such work may cause inconvenience to the use and enjoyment of the Unit. The Buyer will not impede or interfere with the Seller's completion of construction of other sublease lots, the common property or the Development. The Buyer acknowledges that the Seller may retain Units in the Development for

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use as sales and administrative offices and/or display suites for marketing purposes or otherwise to market the Development and any other developments (the "Other Developments") adjacent to or in the vicinity of the Development. The Buyer agrees that for so long as the Seller is the owner of any Units in the Development or the Other Developments, the Seller may carry out marketing, promotional and sales activities within the common property (including parking stalls and recreational facilities) of the Development or sublease lots owned or leased by the Developer, including, without limitation, maintaining display suites, other display areas, parking areas and signage (including signage on the exterior of the Development) and permitting public access to same for the purpose of marketing any unsold Units in the Development. In addition, the developer may conduct tours of the Development from time to time with prospective Buyers and hold events and other activities with the Development in connection with the marketing and sales activities for the Development and the Other Developments.

14. **Successors and Assigns.** This Contract shall ensure to the benefit of and be binding upon the parties hereto and their respective successors, permitted assigns, heirs, administrators and executors.

15. **Governing Law.** This Buyer's offer herein and the Contract which results from is

acceptance shall be exclusively governed by and construed in accordance with the laws of the Province of British Columbia.

16. **Contractual Rights.** This offer and the Contract which results from its acceptance creates contractual rights only and not any interest in land and the Buyer will not be entitled to register this Contract or any interest arising under the Contract against the Unit or the Lands. The Buyer will acquire an interest in land upon completion of the purchase and sale contemplated herein.

17. **Personal Information.** The Buyer and the Seller hereby consent to the collection, use and information by the Seller, the Agents and salespersons described paragraph 23 of this Contract, the real estate boards of which those Agents and salespersons 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 including:

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- (i) To complete the transaction contemplated by this Contract;
  - (ii) To facilitate the completion and management of the Development including the transfer of management of the Development to a property manager;
  - (iii) To market, sell, provide and inform the Buyer of products and services of the Seller and its affiliates and partners, including information about future projects;
  - (iv) To comply with the ***Proceeds of Crime (Money Laundering) and Terrorist Financing Act*** (Canada) and regulations, rules and policies thereunder or relating thereto, and other applicable laws; and
  - (v) To disclose such personal information to the Seller's affiliates, assignees, business partners, bankers, lawyers, accountants and other advisors and consultants in furtherance of *any* of the foregoing purposes;
- (b) To comply with the *Freedom of Information and Privacy Act* (British Columbia) and regulations, rules and policies thereunder or relating thereto;
- (c) If the Unit 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;
- (d) For enforcing codes of professional conduct and ethics for members of real estate boards; and
- (e) For the purpose (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled Working with A Real Estate Agent.

The Buyer also agrees to provide to the Seller, the Seller's agents and solicitors, promptly upon request, any additional) personal Information not contained herein that is required in order for such person to comply with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and regulations, rules and policies thereunder or relating thereto, and acknowledges that the foregoing consent applies to any such personal information. The Buyer covenants and agrees to

# ***ANDMAR PURCHASE CONTRACT***

## **PHASE 1**

### **Andmar 1 North Tower**

provide and to cause any third parties to provide the Seller, the Seller's listing agent and the Seller Solicitor with all of the information required to comply with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and regulations, rules and policies thereunder or relating thereto.

18. **Seller's Right to Terminate.** The Seller may in its sole discretion terminate this Contract if the Seller has reasonable grounds to suspect that any part of the transaction contemplated by this Contract is related to the commission or attempted commission of a "money laundering offence" or a "terrorist activity financing offence", as defined in the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and regulations under that *Act*, as amended from time to time.

19. **Notices and Tender.** Any notice to be given to the Buyer hereunder will be sufficiently given (a) if deposited in any postal receptacle in Canada addressed to the Buyer at the Buyer's address or the Buyer's solicitors or notary public at their offices and sent by regular mail, postage prepaid, or (b) if delivered by hand or if transmitted by facsimile or e-mail to the Buyer's solicitors or notary public at their office or to the Buyer. Such notice will be deemed to have been received if so delivered or transmitted, when delivered or transmitted and if mailed, on the second business day (exclusive of Saturdays, Sundays and statutory holidays) after such mailing. The address, fax number (if any) and e-mail address (if any) for the Buyer will be as set out above unless the Buyer provides the Seller in writing with an updated address, fax number (if any) and e-mail address, and the Seller has acknowledged in writing the receipt thereof; in which case it will be such most recently updated address, fax number (if any) and e-mail address. Any documents to be tendered on the Buyer may be tendered on the Buyer or the Buyer's solicitors or notary public. Any notice to be given to the Seller may be given to the Seller or the Seller's solicitors in the same manner, and will be deemed to have been received, as provided for in the preceding provisions of this section, all other matters remaining the same except as altered where necessary. Any documents or money to be tendered on the Seller or the Buyer's solicitors or notary public will be tendered by way of certified funds or bank draft and will be delivered at the Buyer's expense to the Seller or the Seller's solicitors or notary public. Notwithstanding the foregoing, Deposit payments may be made as set out in paragraph 1 hereof. This Contract and any Addendum hereto may be executed in several parts and such parts when taken and read together shall be construed as if the signing parties had executed one copy thereof. Delivery of this Contract and any Addendum hereto may be made by facsimile transmission, by e-mail in PDF format or by DocuSign and when so delivered shall be as effective as if delivered and received personally.

20. **Buyer Comprising. More Than One Party.** If the Buyer Is comprised of more than one

# ***ANDMAR PURCHASE CONTRACT***

## ***PHASE 1***

### ***Andmar 1 North Tower***

party, then the obligations of the Buyer hereunder will be the joint and several obligations of each party comprising the Buyer and any notice given to one of such parties will be deemed to have been given at the same time to both or all of such parties comprising the Buyer.

21. **Change of Address.** The Buyer covenants and agrees to promptly notify the Seller in writing of any change in the Buyer's address, e-mail address, phone number and/or fax number.

22. **Warranty**

(a) The only warranty provided by the Seller shall be the coverage offered by National Home Warranty, a corporation approved by the Financial Institutions Commission of British Columbia (the "Warranty") or any other home warranty company so approved by the Financial Institutions Commission of British Columbia;

(b) The Builder is registered with National Home Warranty and the Builders # 91546 ;

(c) The Warranty shall be in a form consistent with the terms of the brochure annexed hereto as Schedule "C" and the Buyer agrees to accept the insured risks and limits of Liability

(d) set out in the Warranty as the sole and exclusive warranty in connection with the Property and agrees to release the Seller from and against any risks not specifically insured and for any damages exceeding the limits set out in the Warranty.

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#### **23. Agency Disclosure**

If the Buyer chooses to be unrepresented by a licenced Realtor ® then the Buyer hereby acknowledges having read, received and understood the Disclosure of Representation in Trading Services brochure.

A. The Seller has an Agency relationship with: **Advantage Property Management & Real Estate Inc.**

B. The Buyer has an Agency relationship with

\_\_\_\_\_ and \_\_\_\_\_  
BROKERAGE LICENCEE

# ***ANDMAR PURCHASE CONTRACT***

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Schedule "B"  
Site Plan & Floor Plan

*Buyer*

*Buyer*

*Seller*

***ANDMAR PURCHASE CONTRACT***

***PHASE 1***

***Andmar 1 North Tower***

*Buyer*

*Buyer*

*Seller*

***ANDMAR PURCHASE CONTRACT***

***PHASE 1***

***Andmar 1 North Tower***

*Buyer*

*Buyer*

*Seller*

***ANDMAR PURCHASE CONTRACT***

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Schedule "C"

New Home Warranty Brochure

See Attached

*Buyer*

*Buyer*

*Seller*

***ANDMAR PURCHASE CONTRACT***

***PHASE 1***

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*Buyer*

*Buyer*

*Seller*

# ANDMAR PURCHASE CONTRACT

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#### APPENDIX "1"

#### Subjects of the Buyer

AND: \_\_\_\_\_  
\_\_\_\_\_

RE: Civic Address: Unit \_\_\_\_ Lot \_\_\_\_ 46185 Thomas Road Chilliwack, BC, Tzeachten Indian Reserve 13

The undersigned agree to the following:

1. Subject to new first mortgage financing being made available to the Buyer on or before \_\_\_\_\_, 20\_\_

2 Subject to the Buyer reviewing the Information Statement, Head Lease, Sublease and Bylaws in relation to the property and being satisfied with the terms and conditions on or before \_\_\_\_\_, 20\_\_

Subject clauses are for the sole benefit of the Buyer and may be waived unilaterally by the Buyer.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

WITNESS BUYER (signature) BUYER (print name)

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

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Seller: Andmar Development Corp.  
by its authorized signatory:

Director: \_\_\_\_\_

# ***ANDMAR PURCHASE CONTRACT***

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#### APPENDIX "2"

#### ACKNOWLEDGEMENT OF RECEIPT OF DOCUMENTS

(Including schedules, if any) to the Agreement made between Andmar Development Corp. as manager of the Project and (the Buyer) the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

The Buyer hereby acknowledges having received access to a sales binder or an electronic copy containing the following documents:

- A. Preliminary Site Plan, Unit locations and Floor Plans Phase 1;
- B. Head Lease;
- C. Sublease;
- D. Equitable Charge;
- E. Proportionate Share Schedule;
- F. Interest on Destruction Schedule
- G. New Home Warranty;
- H. Purchase Contract;
- I. Tzeachten First Nation Tax Policy;
- J. Estimated Operating Budget
- K. Estimated - Monthly Costs;
- L. Bylaws of AHC;
- M. Control Relinquishing Agreement.

DATED this \_\_\_\_\_ day of \_\_\_\_\_ , 20\_\_\_\_.

Witness \_\_\_\_\_ Buyer \_\_\_\_\_

Witness \_\_\_\_\_ Buyer \_\_\_\_\_

Andmar Development Corp.  
by its authorized signatory:

\_\_\_\_\_

Buyer

Buyer

Seller

# ***ANDMAR PURCHASE CONTRACT***

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### ***Andmar 2 South Tower***

**THIS ANDMAR PURCHASE CONTRACT RELATES TO A RESIDENTIAL DEVELOPMENT LOCATED AT CHILLIWACK, B.C. ON FEDERAL CROWN LANDS HELD IN RESERVE FOR THE TZEACHTEN FIRST NATIONS ("TFN").**

This agreement is dated for reference the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_ .

**BETWEEN:**

**ANDMAR DEVELOPMENT CORP.**, a British Columbia company with a registered and records office located at #201 – 585 16<sup>th</sup> Street, West Vancouver, BC, V7V 3R8,

(Hereinafter referred to as the "Seller")

**AND:**

Name(s): \_\_\_\_\_

\_\_\_\_\_

Address:

\_\_\_\_\_

Contact

Information: Tel(s): \_\_\_\_\_ Email: \_\_\_\_\_

Resident of Canada: YES/NO

(Hereinafter referred to as "Buyer")

Buyer

Buyer

Seller

# ***ANDMAR PURCHASE CONTRACT***

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The Buyer irrevocably offers to acquire from the Seller a sublease interest in Unit No. \_\_\_\_  
\_\_\_\_ Lot \_\_\_\_\_, 46187 Thomas Road (the "Unit") for the Purchase Price of \$  
. together with a builder's appliance package, blinds, one parking stall and an underground  
garage door opener. The Unit will be located on a portion of the lands (the "Lands") and  
currently legally described Tzeachten Indian Reserve No. 13, more particularly known and described  
as Lot 800 CLSR 112099 PIN: 903034362, the legal description of which for each Unit will be  
determined upon registration of the future subdivision plan. (the "Lands"). The location and  
approximate size of which Unit is shown on Schedule "B" to this Agreement. The Purchase  
Price does not include any taxes that may be applicable at the time of closing which must be  
paid by the Buyer in addition to the Purchase Price. Under current legislation no Federal GST  
is applicable to the Purchase Price.

The Purchase Price shall be paid as follows:

#### **A: For all Buyers except investors:**

1. A DEPOSIT, of 5% is due and payable within 24 hours of subject removal;  
and
2. The BALANCE of the Price (the "**Balance**") subject to adjustments, shall be  
payable to the Seller on the Closing Date (hereinafter defined) by solicitor's or  
notary's trust cheque, bank draft drawn on a Canadian chartered bank or by  
direct deposit or wire of funds from a solicitor or Notary Public at the Buyer's  
expense.
3. If the Buyer is getting a mortgage please indicate if the mortgage will be a  
CMHC insured mortgage: **Please circle appropriate response:** yes no

#### **B. If the Buyer is an investor either personal or through a corporation:**

1. A DEPOSIT, of 7.5% is due and payable within 24 hours of subject  
removal;.
2. A SECOND DEPOSIT, being 7.5% of the Purchase Price, is due within 14  
days from the date the Seller notifies the Buyer in writing that the Seller has  
met all of the presale conditions imposed by the Seller's construction loan  
lender. (see Section 2.10 in Schedule "A");  
and
2. THE BALANCE of the Price (the "**Balance**") subject to adjustments, shall be  
payable to the Seller on the Closing Date (hereinafter defined) by solicitor's or

# ***ANDMAR PURCHASE CONTRACT***

## ***PHASE 1***

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notary's trust cheque, bank draft drawn on a Canadian chartered bank or by direct deposit or wire of funds from a solicitor or Notary Public at the Buyer's expense.

**Schedule "A" attached hereto forms part of the terms and conditions of this Agreement.**

The Buyer acknowledges that:

- a) The location of the Lot is as described on Schedule "B" hereto;
- b) The Unit will be as described on Schedule "B" hereto; and
- c) In addition to the Purchase Price, unless the Buyer is financing with a CMHC mortgage, the Sublease shall obligate the Buyer to monthly Sublease payments of \$75.00 each, commencing January 1, 2030 which will be adjusted thereafter annually by an amount equal to the increase or decrease of the Consumer Price Index for Vancouver, British Columbia.

#### **ACKNOWLEDGMENT OF RECEIPT**

The Buyer hereby acknowledges and agrees that the Buyer has been provided with copies of the amended Information Statement dated May 16, 2025, the Headlease, the form of Sublease, the form of Equitable Charge Agreement, the form of Relinquishing Control Agreement and the Bylaws in relation to the Development prior to execution of this Contract.

The Buyer acknowledges that if this offer is accepted by the Seller, the Buyer hereby agrees to purchase all of the Seller's right, title and sublease interest in the Unit hereinbefore described which is built or will be built in accordance with the plans and specifications annexed hereto as Schedule "B", denoting the floor plan and site plan of the unit.

The Seller reserves the right to allocate the parking stall(s) and storage lockers (if applicable) in its sole discretion without consultation with the Buyer. The parking stalls and storage lockers in the Development may vary in size, shape and convenience of location, and may be partially obstructed by equipment and other facilities.

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

Buyer

Buyer

Seller

# ***ANDMAR PURCHASE CONTRACT***

## ***PHASE 1***

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**1.05 Acceptance.** This offer will be open for acceptance on presentation until 11:59 p.m. the third day after the date of this offer and upon acceptance by the Seller it shall be a binding agreement for purchase and sale on the terms and conditions herein contained.

DATED at Chilliwack, British Columbia this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

Witness \_\_\_\_\_ Buyer \_\_\_\_\_

Witness \_\_\_\_\_ Buyer \_\_\_\_\_

This offer is accepted by the Seller on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_,

**Andmar Development Corp.**

**Per:**

\_\_\_\_\_  
Authorized Signatory

Buyer

Buyer

Seller

# ***ANDMAR PURCHASE CONTRACT***

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#### **SCHEDULE "A"**

##### **1. DEPOSIT**

All Deposits shall be paid by the Buyer by way of a bank draft made payable to the Seller's lawyers Lindsay Kenney LLP, "in trust". The Deposit shall be held in a trust account of the Seller's lawyer, as stakeholder, and:

- (a) except as provided in paragraphs 2.2, 2.6, 2.10, 4.1, 4.2, 5.2, 6 and 8 hereof, and subject to the Buyer completing the purchase on the Closing Date, the Deposit shall be credited to the Buyer on the Closing Date;
- (b) the Deposit shall be paid to the Seller on the Closing Date upon satisfactory completion of this transaction; and
- (c) in the circumstances provided for in paragraphs 2.2, 2.6, 2.10, 4.1, 4.2, 5.2, 6 and 8 shall be paid as therein provided.

Execution of this Agreement shall constitute written direction and authority of the Seller, the Seller's lawyer, as stakeholder, and the Buyer to pay the Deposit as set forth herein without further written direction of authorization of the Buyer or the Seller.

Should the Developer choose to have its solicitors place the Deposit in an interest bearing trust account any interest earned on the Deposit shall be for the account of the Developer and the solicitors for the Developer are irrevocably authorized to pay any interest earned on the Deposit to the Developer.

##### **COMPLETION DATE**

2.1 The completion date is \_\_\_\_\_.

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2.2 If by \_\_\_\_\_ (or if a later date results from the application of paragraph 2.3, then by such later date) (the "Cancellation Date"), the Seller has not notified the Buyer pursuant to paragraph 2.1 then, the Buyer may, by written notice to the Seller, no earlier than 60 days following the Cancellation Date cancel this Contract, and the Buyer will be entitled to receive the Deposit paid by the Buyer under this Contract, and the interest, if any, which may have accrued thereon. Thereafter, this Contract shall be terminated and of no further force or effect and the Buyer and the Seller shall be deemed to have each released the other from all liabilities and obligations hereunder and neither party shall have any further claims against the other for damages, costs or expenses.

2.3 If the Seller is delayed from completing the unit as a result of fire, explosion or accident, howsoever caused, act of any government authority, strike, lockout, inability to obtain or delay in obtaining labour, materials or equipment, flood, act of God, delay or failure by carriers or contractors, unavailability of supplies or materials, breakage or other casualty, climatic conditions, interference of the Buyer, or any other event beyond the control of the Seller, then the Completion Date and the Cancellation Date, will be extended for a period equivalent to such period of delay and a certificate issued by the Seller setting out the cause of the delay and the period of delay shall be conclusive proof of the period of equivalent extension to the Completion Date.

2.4 **The Adjustment Date:** 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 Possession Date.

2.5 **The Possession Date** will be one day following the Completion Date.

2.6 **The Move in Date** will be provided to each Sublessee on or before the Completion Date.

2.7 If the Seller is unable to complete the sale and purchase contemplated herein by the Cancellation Date (as it may be extended as provided in Paragraph 2.3) the Deposit shall be returned to the Buyer as its sole remedy, this Agreement shall be null and void and the Seller shall not be liable for any damages whatsoever.

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## ***PHASE 1***

### ***Andmar 2 South Tower***

- 2.8 If the Completion Date is a Saturday, Sunday, holiday or a day upon which the TFN Lands Office is not open for business, the Completion Date shall be the immediately succeeding business day.
- 2.9 The Purchase Price includes: the Developer's appliance package, blinds, one parking stall, and underground parking gate opener.
- 2.10 The Buyer acknowledges that the estimated date for completion of construction set out in the Information Statement has been provided by the Seller as a matter of convenience only and is not meant to be legally binding upon the Seller and that the actual Completion Date will be established in the manner set out above.
- 2.11 The Developer has met its presale requirements for Andmar 2.

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#### **3. CLOSING PROCEDURES**

3.1 For the purposes of this Agreement the following words and phrases have the following meaning:

- (a) Sublease means the sublease entered into between the Seller and the Buyer setting out the rights and restrictions between the parties which sublease will be registered in the First Nations Land Registry (“FNLR”);
- (b) Equitable Charge Agreement (“ECA”) means an agreement entered into between the Buyer and Andmar Homeowners’ Corporation (“AHC”) and will secure any amounts due but not paid by any sublessee to Andmar Homeowners’ Corp;
- (c) Control Relinquishing Agreement (“CRA”) means an agreement that will be entered into between the Seller and the Buyer and which agreement provides for relinquishing of control of Andmar Homeowners’ Corp to the subleases after the sale of all of the Units have completed;
- (d) Title Insurance means a policy of insurance obtained from a title insurance company by the Buyer and at the Buyer’s cost and that contains GAP coverage assuring title to the Buyer notwithstanding registration numbers from the FNLR have not yet been received at the time the Purchase Price is paid to the Seller.
- (e) Notice of Completion means a notice issued by the Tzeachten First Nation allowing occupancy of the Unit by a Buyer.

3.2 The Sellers’s lawyers shall provide an information package to the Buyer’s solicitors or notary public which information package shall contain a form of the sublease, the ECA and the CRA for completion by the Buyer’s solicitors or notary public and which

Buyer

Buyer

Seller

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information package (together with any other required forms) and a legend on how they are to be completed in order to register the Sublease and the ECA and the Buyer's mortgage (if applicable) in the TFN Land Office and the FNLR and all such other information as may be required by the Buyer's solicitor or notary public to prepare all of the necessary conveyance documents.

- 3.3 The Buyer shall be responsible for the preparation of the documents necessary to complete this transaction including but not limited to the sublease, the ECA, the RCA the Buyer's statement of adjustments, Buyer's mortgage and all supporting documents, to effect a transfer of the sublease interest to the Buyer. The Buyer shall deliver the purchase documents to the Seller's solicitor at least three (3) days prior to the Completion Date for execution by the Seller.
- 3.4 As a closing delivery, the Seller shall provide to the Buyer a "Notice of Completion". for the Unit.
- 3.5 On the Closing Date, the Seller shall, subject to paragraph 3.6, deliver an executed Sublease, ECA and CRA for the Unit to the Buyer. The Seller's title shall be free and clear of all financial charges (except for those encumbrances described in the Information Statement as existing encumbrances, proposed encumbrances, easements, permits, rights of way and any development covenants or agreements in favor of utilities, public authorities, and other parties as required by them and those encumbrances to be discharged by the Seller from the proceeds of sale of the Unit) and the Buyer shall deliver the Purchase Price in trust to the Seller's lawyer by a solicitor's or notary's trust cheque, bank draft drawn on a Canadian chartered bank or by direct deposit or wire of funds from a solicitor or Notary Public at the Buyer's expense. The Buyer's solicitor or notary public shall submit the Sublease and the ECA to the TFN Lands Office following which the TFN Lands Office shall register the Sublease and ECA in the First Nations Land Registry. On receipt of written confirmation from the Buyer's solicitor or notary public that the Sublease and the ECA have been submitted for registration and title insurance is in place the Purchase Price shall be delivered and released to the Seller at the Buyer's expense and the Buyer shall, without cost to the buyer, be registered as a shareholder of AHC which corporation will control the common property of the Development.
- 3.6 If the Seller has existing financial charges to be discharged from title the Seller, while

# ***ANDMAR PURCHASE CONTRACT***

## ***PHASE 1***

### ***Andmar 2 South Tower***

still required to discharge such financial charges the Seller may wait to pay and discharge same upon receipt of the Purchase Price. The Seller shall bear all cost of discharging such financial charges.

3.7 If the Buyer is relying on a new mortgage to finance the Purchase Price, the Buyer shall be at liberty to submit the Sublease and the ECA to the TFN Land Registry, but only if, before such submission, the Buyer has:

- (a) Made available for tender to the Seller's solicitors that portion of the Purchase Price not secured by the new mortgage; and
- (b) Fulfilled all the new mortgagee's conditions for funding except submitting the new mortgage for registration; and
- (c) Made available to the Seller's solicitors, a solicitor's or notary public's undertaking to pay the Purchase Price upon the lodging of the Sublease and new mortgage documents and the advance by the mortgagee of the mortgage proceeds pursuant to the undertakings placed on the Buyer's solicitor by the Seller's solicitors.

4. The Deposit shall be dealt with as follows:

4.1 The Seller and the Buyer agree that the Deposit constitutes a genuine pre-estimate of the damages the Seller will suffer as a result of the failure to complete the purchase of the Unit in default of his or her obligations hereunder. If the Buyer fails to complete the purchase of the Unit in default of his or her obligations hereunder, then subject to Section 6 (b) of this Schedule A, the Seller may elect to terminate this Contract and, in such event, the Deposit will be absolutely forfeited to the Seller as liquidated damages, without prejudice to any other remedy which the Seller may have in respect of the Buyer's failure to complete the purchase and sale of the Unit.

4.2 If the Seller fails to complete the sale of the Unit, then the Deposit paid shall be paid to the Buyer as the Buyer's sole remedy and the Buyer shall have no further claims against the Seller.

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#### **5. Risk, Adjustment, Possession, and Move In.**

- 5.1 The Buyer will assume all taxes, rates, local improvement assessments, water rates and scavenging rates, assessments of AHC and all other adjustments both incoming and outgoing of whatever nature in respect of the Unit, including an adjustment to credit the Seller with the Buyer's share of the prepaid insurance premium (if any) for the Development, and all such adjustments shall be made as of the Possession Date. The Buyer is responsible for all utility charges as of the Possession Date and must ensure they notify the necessary utility companies to have the utilities transferred into his/her name on the Possession Date. In the event the Buyer does not transfer the utilities into their name as of the Possession Date, any charges to the Seller that should be the Buyer's responsibility will be paid to the Seller in full within five business days after notification. If said amount is not paid within the five business day period a \$50.00 charge will be applied to the outstanding amount and if such transfer and such payment is not made within the said five day period the Seller is irrevocably authorized to advise the utility company to discontinue the service.
- 5.2 The Unit shall be at the risk of the Seller until and including the day preceding the Completion Date and in the event of major loss or damage to the same occurring before such time by reason of tempest, lightning, earthquake, flood or other Act of God, fire or explosion which is not repaired prior to the Completion Date, the Buyer, at the Buyer's option, may cancel this Agreement and in such event shall thereupon be entitled to the return of any moneys paid hereunder, and in such event neither the Seller nor the Buyer shall have any further obligations or liability whatsoever hereunder. The Unit shall be at the risk of the Buyer from and including the Completion Date.
- 5.3 So long as the Purchase Price and all other amounts payable by the Buyer to the Seller in respect of the Unit have been paid in full, the Buyer may have possession of the Residential Unit on the day following the Completion Date (the "Possession Date"). Possession Date means the date the Buyer is given the keys to the Unit but move in is subject always to the Move In Date.
- 5.4 Notwithstanding the Possession Date is on the day following the Completion Date Possession Date does not mean the date on which a Buyer can move in his/her furniture

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or other items that require locking off the elevators. Move In Date will be scheduled by the Developer in order of the date the Buyers Purchase Contract was signed and accepted by the Developer.

6. **Time is of the essence.** Time will be of the essence hereof and unless all payments on account of the Purchase Price, together with adjustments thereto, as provided herein, and all other amounts payable hereunder are paid when due, then the Seller may, at its option:

a) Terminate this Contract by written notice to the Buyer and, in such event, the Deposit will be absolutely forfeited to the Seller as liquidated damages. The parties agree that the Deposit constitutes a genuine pre-estimate of some of the damages the Seller will suffer as a result of the Buyer's failure to pay, when due, any payment on account of the Purchase Price, together with adjustments thereto as provided herein, or any other amounts payable hereunder, without prejudice to the Seller's other remedies including, without limitation, the right of the Seller to pursue additional damages or seek specific performance; or

b) Elect to extend the Completion Date to a certain date determined by the Seller, time to remain of the essence hereof and subject to the Seller's right in its sole discretion, to grant further extensions to a certain date each time, in which event the Buyer will pay to the Seller, in addition to the Purchase Price, interest on the unpaid portion of the Purchase Price and other unpaid amounts payable hereunder at the rate of 2% per month compounded monthly (approximately 27% per annum), calculated daily and compounded monthly, not in advance, from the date upon which such portion and amounts were due to the date upon which such portion and amounts are paid.

c) The Seller may cancel this Contract pursuant to subsection 6(a) of this Schedule "A" at any time after extending the Completion Date pursuant to 6(b) of this Schedule "A" if the Buyer fails to complete on or before such extended date.

7. **Entire Contract/Representations.** The Buyer acknowledges and agrees that this Contract constitutes the entire agreement between the parties with respect to the sale and purchase of the Unit and supersedes any prior agreements, negotiations or discussions, whether oral or written, of the Seller and the Buyer, and that there are no representations, warranties, conditions

Buyer

Buyer

Seller

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### ***Andmar 2 South Tower***

or collateral contracts, expressed or implied, statutory or otherwise, or applicable hereto, made by the Seller, its agents or employees, or any other person on behalf of the Seller, other than those contained herein and in the Information Statement, including, without limitation, arising out of any sales brochures, models, websites, representative view sets, showroom displays, photographs, illustrations or renderings or other marketing materials provided to the Buyer or made available for his or her viewing. In particular, the Buyer acknowledges and agrees that the materials, specifications, details, dimensions and floor plans set out in any materials viewed by the Buyer are approximate and subject to change without notice in order to comply with building site conditions and architectural requirements.

8. **Construction.** The Seller will cause the Unit to be constructed and completed in a good and workmanlike manner substantially in accordance with the plans and specifications (the "Plans and Specifications") for the Development prepared by the designer subject to any changes required by the Architect or TFN. The Seller may make alterations to the features, design and layout of the Units which are desirable in the reasonable discretion of the Seller and may use materials other than as prescribed in the Plans and Specifications if they are reasonably similar to what is prescribed. The Seller reserves the right to alter the common property of the Development at any time and from time to time if, in its sole opinion, such alteration or alterations improve the structural integrity of the Development, its mechanical systems, its ability to withstand water penetration or aesthetics. The Buyer is aware that the preliminary proposed plan attached hereto as Schedule "B" (the "Preliminary Plan") is based on architectural drawings and measurements. The actual size dimensions and/or configuration of the Unit including any balcony, patio or deck, as set forth in the final proposed plan for the Development may vary from what is depicted on the Preliminary Plan.

The areas and dimensions of the Units in the Development set out in the marketing materials referred to in section 7 of this Schedule "A", including balconies, patios and decks, are approximate, based on architectural drawings and provided for reference purposes only, and are not represented as being the actual final areas and dimensions. The Buyer is aware that the square footage area of the Unit is approximate and agrees that the area may be larger, or 3% smaller, than indicated for the Unit in the Information Statement, when measured in the same manner as provided therein. If the Unit is more than 3% smaller, the Purchase Price will be reduced by a percentage equal to the percentage by which the Unit is more than 3% smaller. If the Unit is more than 10% smaller than indicated in the Information Statement the Buyer may, by written notice delivered to the Seller prior to the Closing Date, elect to have the Purchase Price adjusted as aforesaid or cancel this Contract. If the Buyer elects to cancel this Contract, the Deposit will be paid to the Buyer and this Contract

# ***ANDMAR PURCHASE CONTRACT***

## ***PHASE 1***

### ***Andmar 2 South Tower***

will be null and void and there shall be no further obligations of the Seller to the Buyer. If the Buyer elects to complete the purchase of the Unit, the Buyer will have no claim against the Seller other than for adjustment to the Purchase Price as aforesaid;

The Buyer acknowledges that the Development will include service facilities and equipment required in connection therewith such as transformers, fire hydrants, vents, ducts, fans and other such facilities and equipment (the "Service Facilities"). The Service Facilities will be located within the Development as required by the City of Chilliwack or recommended by the Seller's consultants. The Buyer acknowledges that the current plans for the Development may not indicate the location of all the Service Facilities and that the Vendor reserves the right to relocate, add or delete all or a portion of the Service Facilities as deemed necessary by the Seller, without compensation to the Buyer.

The Buyer shall make the selection of color scheme, materials and optional items (to the extent the Seller permits such selection to be made) and pay any additional costs therefor, promptly when requested to do so by the Seller. If the Buyer fails to pay any additional costs therefor promptly when requested by the Vendor, the Seller will not install such colour scheme, material and/or optional items selected by the Buyer, and the Seller will install the standard finishing of the Development, which the Buyer hereby approves and accepts.

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

**9. Buyer Acknowledgements.** The Buyer acknowledges and agrees that the civic address of the Development, and the Unit number assigned to the Unit and the number assigned to the floor in the Development on which the Unit is located are subject to change as determined by the Seller.

**10. Inspection.** The Seller warrants that on the Completion Date the Unit and the common property of the Development will be registered under a third party new home warranty provider. The Buyer or his or her representative will have the right to inspect the Unit with a representative

# ***ANDMAR PURCHASE CONTRACT***

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### ***Andmar 2 South Tower***

of the Seller at a reasonable time designated by the Seller by written notice or by telephone prior to the Completion Date and a refusal or failure by the Buyer to inspect the Unit at such time will be deemed to be a waiver and forfeiture of such right. The Buyer may, at his or her option, forfeit this inspection and will be deemed to be satisfied with and to have accepted the physical condition of the Unit (including the existing kitchen, bathrooms and other Installations, equipment, appliances and furnishings) on the Completion Date. At the conclusion of such inspection, a conclusive list of any defect or deficiencies (the "Deficiencies") will be prepared by the Seller which are to be rectified by the Seller. The parties will sign the list of deficiencies and the Buyer will be deemed to be satisfied with and to have accepted the physical condition of the Unit (including the existing kitchen, bathrooms and other installations, equipment, appliances and furnishings) subject only to the Deficiencies.

If the Buyer does not sign the list of Deficiencies the Buyer will be deemed to be satisfied with and to have accepted the physical condition of the Unit (including the existing kitchen, bathroom and other installations, equipment, appliances and furnishings). The Buyer covenants and agrees to complete the purchase of the Unit on the Completion Date on the terms and conditions herein contained notwithstanding that the Deficiencies may have to be rectified subsequent to the Completion Date. The Buyer will not be allowed to have access to the Unit except for the deficiency inspection prior to the Possession Date. No holdback will be made on the Completion Date in respect of the Deficiencies or other deficiencies. In the event of a disagreement between the Buyer and the Seller as to what constitutes a defect or deficiency, or whether or not a defect or deficiency has been rectified, the decision of the Designer or any replacement party therefor appointed by the Seller, will be conclusive, final and binding on the parties.

11. **Costs.** The Buyer will pay costs in connection with the purchase of the Sublease for the Unit including property transfer tax payable to TFN ("FNPPT") and any other tax required to be paid by the Buyer in connection with the purchase and sale of the Unit and the equipment and appliances (if any) included with the Unit. Without limiting the generality of the foregoing, the Buyer agrees that the Purchase Price does not include any applicable taxes, including FNPPT or any other federal or provincial sales, service, value added or other tax that may be applicable to the sale of the Unit hereunder whether levied against the Buyer or the Seller, all of which shall be payable by the Buyer on the Completion Date in addition to the Purchase Price.

12. **Assignment.** The Buyer, upon receiving the written consent of the Seller may assign his

# ***ANDMAR PURCHASE CONTRACT***

## ***PHASE 1***

### ***Andmar 2 South Tower***

or her interest in the Unit under this Contract:

To a company that is controlled by the Buyer or to the Buyer's spouse, sibling, parent, child, grandparent or grandchild, provided that the Buyer must provide the Seller with information reasonably satisfactory to the Seller confirming that the Buyer controls the assignee company or confirming the relationship of the assignee to the Buyer; or

At any time after the date that the Seller has entered into binding purchase and sale agreements (where all subject conditions in favor of the Buyer have been satisfied or waived) for all of the Units in the Development (the "Sell-out Date'), to any other person.

If the Seller consents to an assignment, the Seller will convey the Unit to the person designated by the Buyer, in the case of an assignment under section 12(a), an administration fee of \$300 (plus all applicable First Nations, or applicable federal or provincial sales, service, value added or other tax required) and in the case of an assignment under section 12(b), an administration fee of 0.5% of the Purchase Price (plus all applicable First Nations, or applicable federal or provincial sales, service, value added or other tax required) as consideration for agreeing to an assignment of the Buyer's Interest in the Unit or in this Contract and for any associated legal and administrative costs to be paid to the Seller on or before the Completion Date. Any assignment under section 12(b) will not be valid until the Seller receives from the assignee the Assignee's Deposit. Following any assignment the assignor will not be relieved of his or her obligations hereunder but will continue to remain liable to perform an obligations of the Buyer under this Contract notwithstanding any amendment of the terms hereof whether or not the assignor has notice of any such amendment. The Buyer will not advertise or solicit offers from the public with respect to the resale of the Unit by the Buyer before the Sell-out Date and in particular, will not list the Unit or the Buyer's interest in this Contract on any Multiple listing Service (MLS) prior to the Sell-out Date. The Seller, in its sole discretion, may withhold its consent to any assignment not listed in paragraphs 12 (a) and 12 (b) above.

13. **Continuing Construction and Marketing.** The Buyer agrees that the Seller may continue to carry out construction work on the Development after the completion of the purchase of the Unit by the Buyer. The Buyer acknowledges and accepts that such work may cause inconvenience to the use and enjoyment of the Unit. The Buyer will not impede or interfere with the Seller's completion of construction of other sublease lots, the common property or the Development. The Buyer acknowledges that the Seller may retain Units in the Development for

# ***ANDMAR PURCHASE CONTRACT***

## ***PHASE 1***

### ***Andmar 2 South Tower***

use as sales and administrative offices and/or display suites for marketing purposes or otherwise to market the Development and any other developments (the "Other Developments") adjacent to or in the vicinity of the Development. The Buyer agrees that for so long as the Seller is the owner of any Units in the Development or the Other Developments, the Seller may carry out marketing, promotional and sales activities within the common property (including parking stalls and recreational facilities) of the Development or sublease lots owned or leased by the Developer, including, without limitation, maintaining display suites, other display areas, parking areas and signage (including signage on the exterior of the Development) and permitting public access to same for the purpose of marketing any unsold Units in the Development. In addition, the developer may conduct tours of the Development from time to time with prospective Buyers and hold events and other activities with the Development in connection with the marketing and sales activities for the Development and the Other Developments.

14. **Successors and Assigns.** This Contract shall ensure to the benefit of and be binding upon the parties hereto and their respective successors, permitted assigns, heirs, administrators and executors.

15. **Governing Law.** This Buyer's offer herein and the Contract which results from is

acceptance shall be exclusively governed by and construed in accordance with the laws of the Province of British Columbia.

16. **Contractual Rights.** This offer and the Contract which results from its acceptance creates contractual rights only and not any interest in land and the Buyer will not be entitled to register this Contract or any interest arising under the Contract against the Unit or the Lands. The Buyer will acquire an interest in land upon completion of the purchase and sale contemplated herein.

17. **Personal Information.** The Buyer and the Seller hereby consent to the collection, use and information by the Seller, the Agents and salespersons described paragraph 23 of this Contract, the real estate boards of which those Agents and salespersons 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 including:

# ***ANDMAR PURCHASE CONTRACT***

## ***PHASE 1***

### ***Andmar 2 South Tower***

- (i) To complete the transaction contemplated by this Contract;
  - (ii) To facilitate the completion and management of the Development including the transfer of management of the Development to a property manager;
  - (iii) To market, sell, provide and inform the Buyer of products and services of the Seller and its affiliates and partners, including information about future projects;
  - (iv) To comply with the ***Proceeds of Crime (Money Laundering) and Terrorist Financing Act*** (Canada) and regulations, rules and policies thereunder or relating thereto, and other applicable laws; and
  - (v) To disclose such personal information to the Seller's affiliates, assignees, business partners, bankers, lawyers, accountants and other advisors and consultants in furtherance of *any* of the foregoing purposes;
- (b) To comply with the *Freedom of Information and Privacy Act* (British Columbia) and regulations, rules and policies thereunder or relating thereto;
- (c) If the Unit 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;
- (d) For enforcing codes of professional conduct and ethics for members of real estate boards; and
- (e) For the purpose (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled Working with A Real Estate Agent.

The Buyer also agrees to provide to the Seller, the Seller's agents and solicitors, promptly upon request, any additional) personal Information not contained herein that is required in order for such person to comply with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and regulations, rules and policies thereunder or relating thereto, and acknowledges that the foregoing consent applies to any such personal information. The Buyer covenants and agrees to

# ***ANDMAR PURCHASE CONTRACT***

## **PHASE 1**

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provide and to cause any third parties to provide the Seller, the Seller's listing agent and the Seller Solicitor with all of the information required to comply with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and regulations, rules and policies thereunder or relating thereto.

18. **Seller's Right to Terminate.** The Seller may in its sole discretion terminate this Contract if the Seller has reasonable grounds to suspect that any part of the transaction contemplated by this Contract is related to the commission or attempted commission of a "money laundering offence" or a "terrorist activity financing offence", as defined in the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and regulations under that *Act*, as amended from time to time.

19. **Notices and Tender.** Any notice to be given to the Buyer hereunder will be sufficiently given (a) if deposited in any postal receptacle in Canada addressed to the Buyer at the Buyer's address or the Buyer's solicitors or notary public at their offices and sent by regular mail, postage prepaid, or (b) if delivered by hand or if transmitted by facsimile or e-mail to the Buyer's solicitors or notary public at their office or to the Buyer. Such notice will be deemed to have been received if so delivered or transmitted, when delivered or transmitted and if mailed, on the second business day (exclusive of Saturdays, Sundays and statutory holidays) after such mailing. The address, fax number (if any) and e-mail address (if any) for the Buyer will be as set out above unless the Buyer provides the Seller in writing with an updated address, fax number (if any) and e-mail address, and the Seller has acknowledged in writing the receipt thereof; in which case it will be such most recently updated address, fax number (if any) and e-mail address. Any documents to be tendered on the Buyer may be tendered on the Buyer or the Buyer's solicitors or notary public. Any notice to be given to the Seller may be given to the Seller or the Seller's solicitors in the same manner, and will be deemed to have been received, as provided for in the preceding provisions of this section, all other matters remaining the same except as altered where necessary. Any documents or money to be tendered on the Seller or the Buyer's solicitors or notary public will be tendered by way of certified funds or bank draft and will be delivered at the Buyer's expense to the Seller or the Seller's solicitors or notary public. Notwithstanding the foregoing, Deposit payments may be made as set out in paragraph 1 hereof. This Contract and any Addendum hereto may be executed in several parts and such parts when taken and read together shall be construed as if the signing parties had executed one copy thereof. Delivery of this Contract and any Addendum hereto may be made by facsimile transmission, by e-mail in PDF format or by DocuSign and when so delivered shall be as effective as if delivered and received personally.

20. **Buyer Comprising. More Than One Party.** If the Buyer Is comprised of more than one

# ***ANDMAR PURCHASE CONTRACT***

## ***PHASE 1***

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party, then the obligations of the Buyer hereunder will be the joint and several obligations of each party comprising the Buyer and any notice given to one of such parties will be deemed to have been given at the same time to both or all of such parties comprising the Buyer.

21. **Change of Address.** The Buyer covenants and agrees to promptly notify the Seller in writing of any change in the Buyer's address, e-mail address, phone number and/or fax number.

22. **Warranty**

(a) The only warranty provided by the Seller shall be the coverage offered by National Home Warranty, a corporation approved by the Financial Institutions Commission of British Columbia (the "Warranty") or any other home warranty company so approved by the Financial Institutions Commission of British Columbia;

(b) The Builder is registered with National Home Warranty and the Builders # 91546 ;

(c) The Warranty shall be in a form consistent with the terms of the brochure annexed hereto as Schedule "C" and the Buyer agrees to accept the insured risks and limits of Liability

(d) set out in the Warranty as the sole and exclusive warranty in connection with the Property and agrees to release the Seller from and against any risks not specifically insured and for any damages exceeding the limits set out in the Warranty.

# ***ANDMAR PURCHASE CONTRACT***

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### ***Andmar 2 South Tower***

#### **23. Agency Disclosure**

If the Buyer chooses to be unrepresented by a licenced Realtor ® then the Buyer hereby acknowledges having read, received and understood the Disclosure of Representation in Trading Services brochure.

A. The Seller has an Agency relationship with: **Advantage Property Management & Real Estate Inc.**

B. The Buyer has an Agency relationship with

\_\_\_\_\_ and \_\_\_\_\_  
BROKERAGE LICENCEE

***ANDMAR PURCHASE CONTRACT***

***PHASE 1***

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Schedule "B"  
Site Plan & Floor Plan

*Buyer*

*Buyer*

*Seller*

***ANDMAR PURCHASE CONTRACT***

***PHASE 1***

***Andmar 2 South Tower***

*Buyer*

*Buyer*

*Seller*

***ANDMAR PURCHASE CONTRACT***

***PHASE 1***

***Andmar 2 South Tower***

*Buyer*

*Buyer*

*Seller*

***ANDMAR PURCHASE CONTRACT***

***PHASE 1***

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Schedule "C"

New Home Warranty Brochure

See Attached

*Buyer*

*Buyer*

*Seller*

***ANDMAR PURCHASE CONTRACT***

***PHASE 1***

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*Buyer*

*Buyer*

*Seller*

# ANDMAR PURCHASE CONTRACT

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#### APPENDIX "1"

#### Subjects of the Buyer

AND: \_\_\_\_\_  
\_\_\_\_\_

RE: Civic Address: Unit \_\_\_\_ Lot \_\_\_\_ 46187 Thomas Road Chilliwack, BC, Tzeachten Indian Reserve 13

The undersigned agree to the following:

1. Subject to new first mortgage financing being made available to the Buyer on or before \_\_\_\_\_, 20\_\_

2 Subject to the Buyer reviewing the Information Statement, Head Lease, Sublease and Bylaws in relation to the property and being satisfied with the terms and conditions on or before \_\_\_\_\_, 20\_\_

Subject clauses are for the sole benefit of the Buyer and may be waived unilaterally by the Buyer.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

WITNESS BUYER (signature) BUYER (print name)

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

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Seller: Andmar Development Corp.  
by its authorized signatory:

Director: \_\_\_\_\_

# ***ANDMAR PURCHASE CONTRACT***

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### ***Andmar 2 South Tower***

#### APPENDIX "2"

#### ACKNOWLEDGEMENT OF RECEIPT OF DOCUMENTS

(Including schedules, if any) to the Agreement made between Andmar Development Corp. as manager of the Project and (the Buyer) the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

The Buyer hereby acknowledges having received access to a sales binder or an electronic copy containing the following documents:

- A. Preliminary Site Plan, Unit locations and Floor Plans Phase 1;
- B. Head Lease;
- C. Sublease;
- D. Equitable Charge;
- E. Proportionate Share Schedule;
- F. Interest on Destruction Schedule
- G. New Home Warranty;
- H. Purchase Contract;
- I. Tzeachten First Nation Tax Policy;
- J. Estimated Operating Budget
- K. Estimated - Monthly Costs;
- L. Bylaws of AHC;
- M. Control Relinquishing Agreement.

DATED this \_\_\_\_\_ day of \_\_\_\_\_ , 20\_\_\_\_.

Witness \_\_\_\_\_ Buyer \_\_\_\_\_

Witness \_\_\_\_\_ Buyer \_\_\_\_\_

Andmar Development Corp.  
by its authorized signatory:

\_\_\_\_\_

# **Andmar**

## Exhibit I

Tzeachten First Nation taxation summary

## **Tzeachten First Nation Property Taxation**

Most governments rely on taxes to generate the majority of their revenue to support programs and services. Property taxes are the main source of revenue for municipalities. However, from 1875 to 1988 federal legislation made it illegal for First Nations to collect property taxes. In fact, the laws excluded First Nation taxation but allowed municipalities and provincial governments to levy and collect property taxes from Reserves without supplying any services. This historical lack of financial resources has been a huge barrier to capital development on Reserves. Consequently Tzeachten and many other First Nations have so much ground to make up in bringing infrastructure, roads, sewer, water, recreation and other services up to standards enjoyed off-Reserve.

Tzeachten has been administering property tax since 1995. This was originally done through a bylaw under the *Indian Act* because that was the only way to do it. There is now new federal legislation that allows First Nations to pass their own taxation laws under the guidance of the First Nation Tax Commission. The Property Assessment Law and Property Taxation Law was enacted by Tzeachten in 2010.

There are approximately 1900 property taxation folios within Tzeachten First Nation. The Tzeachten First Nation Tax Centre issues the tax notices and collect the taxes from resident taxpayers. However because the Tzeachten reserve lies within the boundaries of the City of Chilliwack, municipal services are provided by the City of Chilliwack. Consequently, 75% of all taxes collected are transferred to the City of Chilliwack and only 25% is retained by Tzeachten.

For more information on Property Taxation contact:

TZEACHTEN FIRST NATION PROPERTERY TAX CENTRE  
Deanna Honeyman – Taxation Administrator  
45855 Promontory Road  
Chilliwack, BC V2R 0H3  
P: 604-858-3888  
Email – [taxation@tzeachten.ca](mailto:taxation@tzeachten.ca)

### **FAQ**

This information is intended to help residents of Tzeachten First Nation reserve lands (understand how the First Nation property taxation system works. It is intended as a guide only and may change as amendments to the Laws are duly executed.

### **Why do we need property tax laws?**

The laws are a transition from the *Indian Act* bylaws. They allow Tzeachten to more closely coordinate our taxation laws and collection dates with the ones used by the City. They also allow us to tailor the laws for our Reserve and our taxpayers and to create more flexible options for installment payments and to have better enforcement.

### **Do the new laws give Tzeachten power to 'jack up' property taxes?**

Tzeachten has had the authority to raise property taxes since 1995. However, Tzeachten has historically and continues to be committed to keeping property taxes on par with the City of Chilliwack's taxes.

Furthermore, Tzeachten is governed by the First Nations Fiscal Management Act (FMA). The FMA mandates the First Nations Tax Commission (FNTC) to develop standards for our local revenue laws and practices. These standards regulate property taxation practices on Reserve and sets out Tax Rate Law restrictions specifically with respect to rate setting and rate increases. In accordance with the standards, the average tax bill cannot increase by more than the national rate of inflation from the previous year.

The following is a link to FNTCs website where you can find the FSMA and other relevant standards Tzeachten is governed by.

[www.fntc.ca/index.php/en/taxing-under-the-fsma/fntc-standards](http://www.fntc.ca/index.php/en/taxing-under-the-fsma/fntc-standards)

### **Will the new laws take away tax exemptions for Tzeachten Members?**

No. Tzeachten members remain tax exempt.

### **Why Do I Pay Tax On Land I Don't Own?**

Taxation applies to ownership & occupation – so all users occupying the land are subject to property taxes.

### **THE ASSESSMENT PROCESS:**

The Tzeachten First Nation has contracted with the British Columbia Assessment Authority (BCAA) to assess properties on reserve. BCAA uses the guidelines as set out in the Tzeachten First Nation Property Assessment Law. BCAA applies same valuation practices procedures as are applied off-reserve.

Properties are assessed at actual value as of July 1 of the year during which the assessment roll is completed. The value is determined considering the physical condition and permitted use of the property on October 31 (December 31 for manufactured homes).

### **When will I received my assessment notice?**

BCAA will mail your notice to you on or before December 31<sup>st</sup>.

### **Can I appeal my assessment?**

Yes. You will find details on how to appeal your assessment on the back of your assessment notice. Appeals must be received at BCAA by January 31 of the year following the year in which the assessment roll is completed. Remember, you can only appeal your property assessment, not your property taxes.

### **THE TAX PROCESS:**

#### **Who sets the tax rate?**

Tzeachten First Nation has jurisdiction under FMA to levy taxes and therefore has the sole authority to set tax rates. However, Tzeachten First Nation has historically adopted the Mill Rates set annually by the City of Chilliwack

#### **When are my taxes due?**

Your property tax payment is due on or before July 2<sup>nd</sup>. The taxation period is from January to December.

Taxes can be paid in person at the Tzeachten Community Center or by mail. We accept cheque, Cash, Debit and E-Transfer (For E-transfers, use email: taxation@tzeachten.ca). We also do monthly installment pre-payment plan (direct debit.)

**Penalties and Interest:** A 10% penalty will be charged on gross taxes outstanding at close of business on the due date in the year in which taxes are due. Delinquent tax will bear interest at 1.25% monthly.

#### **What about Home Owner Grants?**

The guidelines for qualification are in accordance to the Provincial Home Owner Grant Program and are outlined on the reverse of your taxation notice.

#### **Remember to sign your grant application.**

Complete, sign and return the home owner grant application on the back of your tax notice, along with your payment to the Tzeachten First Nation Taxation office by the due date on your current year tax notice.

#### **Do I qualify for a Tax Deferral?**

Unfortunately no. The Tax Deferral Program is a Provincial program that does not apply on Reserve. At this time there is no equivalent program offered by Tzeachten First Nation.

#### **My mortgage company pays my taxes. Can I still get the grant?**

If your mortgage company pays your property taxes on your behalf you may still qualify for the grant. However, it is still your responsibility to:

- complete, sign and return the home owner grant application on the back of your tax notice to the Tzeachten First Nation Taxation office by the due date. Do not send your grant application to your mortgage company.
- Make sure your mortgage company is paying the correct amount of property taxes minus your eligible home owner grant.

In order to avoid a duplicate payment or late payment penalty, confirm whom -you or your mortgage company - will be paying your taxes.

Please note: financial institutions cannot approve your home owner grant application.

**What If I Move Onto The Reserve In The Middle Of A Tax Year?** Review your "Purchaser's Statement of Adjustments" received from your lawyer at closing of Sale. Depending on the time of year your share of taxes will be allocated proportionately between Purchaser and Seller. Ultimately, the current owner is responsible to pay all taxes.

**What If I Don't Receive A Tax Notice?** It is the responsibility of all registered owners to pay taxes whether they receive a notice or not. Tax notices are sent out the first week of June. If a notice is not received, contact the Tzeachten First Nation Taxation office for a copy of your notice.

# **Andmar**

## Exhibit J

Estimated operating budget

**PROPOSED ANNUAL OPERATING BUDGET  
ANDMAR DEVELOPMENT  
April 2024**

	<b>Phase 1 - 96 Units Proposed Operating Budget</b>
<b>INCOME</b>	
Maintenance Fees	\$ 335,781.60
EV Income	-
Interest Income	-
Bylaws, Late Fines	-
<b>TOTAL INCOME</b>	<b>\$ 335,781.60</b>
<b>GENERAL EXPENSES</b>	
Insurance	\$ 86,000.00
Insurance Appraisal	525.00
Management	29,030.00
Administration	2,425.00
Legal fees/Professional Fees	1,500.00
T2 Tax Filing	750.00
Bank Charges	156.00
Shared Expenses	37,040.00
<b>TOTAL GENERAL EXPENSES</b>	<b>\$ 157,426.00</b>
<b>BUILDING EXPENSES</b>	
Repairs and Maintenance	\$ 6,950.00
Elevator Maintenance and Licenses	16,200.00
Fire Equipment Inspection	4,200.00
Landscaping	-
Janitorial	20,800.00
Snow Removal	-
Amenities	-
<b>TOTAL BUILDING EXPENSES</b>	<b>\$ 48,150.00</b>
<b>UTILITY EXPENSES</b>	
Garbage/Organic	\$ 17,600.00
Electricity	27,780.00
Gas	18,500.00
Security/Fire Monitoring	3,500.00
Phone Lines	2,200.00
Water & Sewer	30,100.00
<b>TOTAL UTILITY EXPENSES</b>	<b>\$ 99,680.00</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 305,256.00</b>
<b>RESERVE FUNDS</b>	
Contingency Reserve Fund	30,525.60
<b>TOTAL RESERVE FUNDS</b>	<b>\$ 30,525.60</b>
<b>TOTAL EXPENSES &amp; RESERVES</b>	<b>\$ 335,781.60</b>
<b>SURPLUS / (DEFICIT)</b>	<b>\$ -</b>

# **Andmar**

## Exhibit K

Estimated monthly costs

**ANDMAR 1 & 2  
PROPOSED FEE SCHEDULE**

\* updated May 27, 2026

**Andmar 1 North**

Lot	Unit Number	*Unit Entitlement	Annual Contingency Reserve Fund	Monthly Contingency Reserve Fund	Annual Operating Fund	Total Annual Fees	Total Monthly Fees
1	201	68	\$293.60	\$24.47	\$2,935.98	\$3,229.58	\$269.13
2	202	68	\$293.60	\$24.47	\$2,935.98	\$3,229.58	\$269.13
3	203	95	\$410.17	\$34.18	\$4,101.74	\$4,511.92	\$375.99
4	204	36	\$155.43	\$12.95	\$1,554.34	\$1,709.78	\$142.48
5	205	101	\$436.08	\$36.34	\$4,360.80	\$4,796.88	\$399.74
6	206	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
7	207	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
8	208	62	\$267.69	\$22.31	\$2,676.93	\$2,944.62	\$245.38
9	209	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
10	210	96	\$414.49	\$34.54	\$4,144.92	\$4,559.41	\$379.95
11	211	98	\$423.13	\$35.26	\$4,231.27	\$4,654.40	\$387.87
12	212	65	\$280.65	\$23.39	\$2,806.46	\$3,087.10	\$257.26
13	301	68	\$293.60	\$24.47	\$2,935.98	\$3,229.58	\$269.13
14	302	68	\$293.60	\$24.47	\$2,935.98	\$3,229.58	\$269.13
15	303	95	\$410.17	\$34.18	\$4,101.74	\$4,511.92	\$375.99
16	304	36	\$155.43	\$12.95	\$1,554.34	\$1,709.78	\$142.48
17	305	101	\$436.08	\$36.34	\$4,360.80	\$4,796.88	\$399.74
18	306	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
19	307	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
20	308	62	\$267.69	\$22.31	\$2,676.93	\$2,944.62	\$245.38
21	309	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
22	310	96	\$414.49	\$34.54	\$4,144.92	\$4,559.41	\$379.95
23	311	98	\$423.13	\$35.26	\$4,231.27	\$4,654.40	\$387.87
24	312	65	\$280.65	\$23.39	\$2,806.46	\$3,087.10	\$257.26
25	401	68	\$293.60	\$24.47	\$2,935.98	\$3,229.58	\$269.13
26	402	68	\$293.60	\$24.47	\$2,935.98	\$3,229.58	\$269.13
27	403	95	\$410.17	\$34.18	\$4,101.74	\$4,511.92	\$375.99
28	404	36	\$155.43	\$12.95	\$1,554.34	\$1,709.78	\$142.48
29	405	101	\$436.08	\$36.34	\$4,360.80	\$4,796.88	\$399.74
30	406	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
31	407	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
32	408	62	\$267.69	\$22.31	\$2,676.93	\$2,944.62	\$245.38
33	409	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
34	410	96	\$414.49	\$34.54	\$4,144.92	\$4,559.41	\$379.95
35	411	98	\$423.13	\$35.26	\$4,231.27	\$4,654.40	\$387.87
36	412	65	\$280.65	\$23.39	\$2,806.46	\$3,087.10	\$257.26
37	501	68	\$293.60	\$24.47	\$2,935.98	\$3,229.58	\$269.13
38	502	68	\$293.60	\$24.47	\$2,935.98	\$3,229.58	\$269.13
39	503	95	\$410.17	\$34.18	\$4,101.74	\$4,511.92	\$375.99
40	504	36	\$155.43	\$12.95	\$1,554.34	\$1,709.78	\$142.48
41	505	101	\$436.08	\$36.34	\$4,360.80	\$4,796.88	\$399.74
42	506	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
43	507	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
44	508	62	\$267.69	\$22.31	\$2,676.93	\$2,944.62	\$245.38
45	509	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
46	510	96	\$414.49	\$34.54	\$4,144.92	\$4,559.41	\$379.95
47	511	98	\$423.13	\$35.26	\$4,231.27	\$4,654.40	\$387.87
48	512	65	\$280.65	\$23.39	\$2,806.46	\$3,087.10	\$257.26
<b>TOTAL 1</b>		<b>3512</b>	<b>\$ 15,163.49</b>	<b>\$ 1,263.62</b>	<b>\$ 151,634.95</b>	<b>\$ 166,798.44</b>	<b>\$ 13,899.87</b>

**ANDMAR 1 & 2  
PROPOSED FEE SCHEDULE**

\* updated May 27, 2026

**Andmar 2 South**

<b>Lot</b>	<b>Unit Number</b>	<b>*Unit Entitlement</b>	<b>Annual Contingency Reserve Fund</b>	<b>Monthly Contingency Reserve Fund</b>	<b>Annual Operating Fund</b>	<b>Total Annual Fees</b>	<b>Total Monthly Fees</b>
49	201	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
50	202	96	\$414.49	\$34.54	\$4,144.92	\$4,559.41	\$379.95
51	203	36	\$155.43	\$12.95	\$1,554.34	\$1,709.78	\$142.48
52	204	101	\$436.08	\$36.34	\$4,360.80	\$4,796.88	\$399.74
53	205	62	\$267.69	\$22.31	\$2,676.93	\$2,944.62	\$245.38
54	206	61	\$263.38	\$21.95	\$2,633.75	\$2,897.13	\$241.43
55	207	62	\$267.69	\$22.31	\$2,676.93	\$2,944.62	\$245.38
56	208	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
57	209	98	\$423.13	\$35.26	\$4,231.27	\$4,654.40	\$387.87
58	210	98	\$423.13	\$35.26	\$4,231.27	\$4,654.40	\$387.87
59	211	94	\$405.86	\$33.82	\$4,058.57	\$4,464.42	\$372.04
60	212	54	\$233.15	\$19.43	\$2,331.52	\$2,564.67	\$213.72
61	301	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
62	302	96	\$414.49	\$34.54	\$4,144.92	\$4,559.41	\$379.95
63	303	36	\$155.43	\$12.95	\$1,554.34	\$1,709.78	\$142.48
64	304	101	\$436.08	\$36.34	\$4,360.80	\$4,796.88	\$399.74
65	305	62	\$267.69	\$22.31	\$2,676.93	\$2,944.62	\$245.38
66	306	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
67	307	62	\$267.69	\$22.31	\$2,676.93	\$2,944.62	\$245.38
68	308	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
69	309	98	\$423.13	\$35.26	\$4,231.27	\$4,654.40	\$387.87
70	310	98	\$423.13	\$35.26	\$4,231.27	\$4,654.40	\$387.87
71	311	94	\$405.86	\$33.82	\$4,058.57	\$4,464.42	\$372.04
72	312	54	\$233.15	\$19.43	\$2,331.52	\$2,564.67	\$213.72
73	401	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
74	402	96	\$414.49	\$34.54	\$4,144.92	\$4,559.41	\$379.95
75	403	36	\$155.43	\$12.95	\$1,554.34	\$1,709.78	\$142.48
76	404	101	\$436.08	\$36.34	\$4,360.80	\$4,796.88	\$399.74
77	405	62	\$267.69	\$22.31	\$2,676.93	\$2,944.62	\$245.38
78	406	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
79	407	62	\$267.69	\$22.31	\$2,676.93	\$2,944.62	\$245.38
80	408	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
81	409	98	\$423.13	\$35.26	\$4,231.27	\$4,654.40	\$387.87
82	410	98	\$423.13	\$35.26	\$4,231.27	\$4,654.40	\$387.87
83	411	94	\$405.86	\$33.82	\$4,058.57	\$4,464.42	\$372.04
84	412	54	\$233.15	\$19.43	\$2,331.52	\$2,564.67	\$213.72
85	501	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
86	502	96	\$414.49	\$34.54	\$4,144.92	\$4,559.41	\$379.95
87	503	36	\$155.43	\$12.95	\$1,554.34	\$1,709.78	\$142.48
88	504	101	\$436.08	\$36.34	\$4,360.80	\$4,796.88	\$399.74
89	505	62	\$267.69	\$22.31	\$2,676.93	\$2,944.62	\$245.38
90	506	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
91	507	62	\$267.69	\$22.31	\$2,676.93	\$2,944.62	\$245.38
92	508	63	\$272.01	\$22.67	\$2,720.10	\$2,992.11	\$249.34
93	509	98	\$423.13	\$35.26	\$4,231.27	\$4,654.40	\$387.87
94	510	98	\$423.13	\$35.26	\$4,231.27	\$4,654.40	\$387.87
95	511	94	\$405.86	\$33.82	\$4,058.57	\$4,464.42	\$372.04
96	512	54	\$233.15	\$19.43	\$2,331.52	\$2,564.67	\$213.72
<b>TOTAL 2</b>		<b>3558</b>	<b>\$ 15,362.11</b>	<b>\$ 1,280.18</b>	<b>\$ 153,621.05</b>	<b>\$ 168,983.16</b>	<b>\$ 14,081.93</b>
<b>TOTAL 1 &amp; 2</b>		<b>7,070</b>	<b>\$ 30,525.60</b>	<b>\$ 2,543.80</b>	<b>\$ 305,256.00</b>	<b>\$ 335,781.60</b>	<b>\$ 27,981.80</b>

**Andmar**

Exhibit L

By-laws of AHC

# Bylaws of Andmar Homeowners' Corp.

("Homeowners' Corp.")

**THROUGHOUT THESE BYLAWS REFERENCE TO THE “BOARD” SHALL MEAN THE BOARD OF DIRECTORS OF ANDMAR HOMEOWNERS’ CORP. AND A REFERENCE TO “OWNER” SHALL, UNLESS OTHERWISE SPECIFIED, SHALL BE DEEMED TO MEAN AN OWNER OF A SUBLEASE.**

## **DIVISION 1 – DUTIES OF OWNERS, TENANTS, OCCUPANTS AND VISITORS**

### **1. PAYMENT OF HOMEOWNERS MAINTENANCE FEES**

- 1.1 An Owner must pay Maintenance fees on or before the first day of the month to which the Homeowner’s Corp. fees relate.
- 1.2 If an Owner is late in paying his or her Maintenance Fees, the Owner must pay to the Homeowners’ Corp. interest on the late payment in the amount of 10% per annum, compounded annually and calculated on a monthly basis commencing from the date the payment was due and continuing until the day of the month in which it is paid.
- 1.3 Maintenance Fees not received by the 15<sup>th</sup> of the month in question will also be subject to a written warning and if not received by the 15<sup>th</sup> of the following month, will be subject to a penalty at the discretion of the Board.
- 1.4 When arrears exceed 90 days, a lien may be placed on the Subleased Unit involved, at the Owner’s expense, for the total monies due, including all legal and other expenses.

### **2. REPAIR AND MAINTENANCE OF PROPERTY BY OWNER**

- 2.1 An Owner must repair and maintain the owner’s Subleased Unit, except for repair and maintenance that is the responsibility of the Homeowners’ Corp. under these Bylaws.
- 2.2 An Owner is responsible to keep such articles as dishwashers, washing machines, dryers, kitchen and bathroom faucets and drains, toilets, and other fixtures and appliances in good condition.
- 2.3 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 Homeowners’ Corp. under these Bylaws.
- 2.4 An Owner is responsible for the day-to-day maintenance of limited common property (balconies and patios). This includes responsibility to repair vinyl decking immediately if it is torn or burnt to prevent damage to the structure as well as ensuring that seams in vinyl decking are sealed.
- 2.5 Owners are responsible for notifying the Homeowners Corporation promptly in the event the deck membrane is penetrated, torn or burnt. The Homeowners Corporation will arrange for the membrane to be repaired by a qualified professional. Owners may

be assessed the cost of repairs, if the damage was not caused by normal wear and tear or aging.

2.6 The Homeowners Corporation will provide cutting and fertilization of lawn areas within the exclusive use fenced yards and maintenance of perimeter and divider fences, unless an owner has signed an Assumption of Responsibility for alterations that have transpired.

### **3. USE OF PROPERTY**

3.1 Homes in Andmar are intended for single-family occupancy.

3.2 An Owner, tenant, occupant or visitor must not use a Subleased Unit, the common property or common assets in a way that:

- a) Causes a nuisance or hazard to another person,
- b) Causes unreasonable noise,
- c) Unreasonably interferes with the rights of other persons to use and enjoy the common property, common assets or another Subleased Unit,
- d) Is illegal, or
- e) Is contrary to a purpose for which the Subleased Unit or common property is intended as shown-expressly or by necessary implication on or by the Homeowner's Corp. plan.

3.3 An Owner, tenant, occupant or visitor must not cause damage, other than reasonable wear and tear, to the common property, common assets or those parts of a Subleased Unit which the Homeowners' Corp. must repair and maintain under these Bylaws.

3.4 An Owner, tenant, invitee or occupant must not:

- a) Use a Subleased Unit for any purpose which involves undue traffic or noise in or about the Subleased Unit or common property between the hours of 11:00 p.m. and 7:00 a.m. or that encourages loitering by persons in or about the Subleased Unit or common property;
- b) Make, cause or produce undue noise, smell, vibration or glare in or about any Subleased Unit or common property or do anything which will interfere unreasonably with any other Owner, tenant, or occupant;
- c) Use any musical instrument, amplifier, sound reproduction equipment or other devices within or about any homeowner's corporation lot, the common property or any limited common property such that causes a disturbance or interferes with the comfort of any other Owner, tenant, or occupant;

- d) Obstruct or use the sidewalks, walkways, passages and driveways of the common property for any purpose other than ingress or egress from the Subleased Units or parking areas within the common property of the development plan;
- e) Leave on the common property or any limited common property, any shopping cart, hazardous material or any other item designated from time to time by the Board;
- f) Shake any mops or dusters of any kind, nor throw any refuse, out of the windows or doors or from the balcony of a Subleased Unit;
- g) Do anything that will increase the of fire or the rate of insurance on the building or any part thereof;
- h) Permit a condition to exist within a Subleased Unit which will result in the waste or excessive consumption of the building's water supply or heated water;
- i) Allow a Subleased Unit to become unsanitary or a source of odors;
- j) Feed pigeons, gulls or other birds, squirrels, rodents or other animals from a homeowner's corporation lot or anywhere on or in close proximity to the common property or any limited common property, but this shall not apply to a pet permitted to be kept in a lot pursuant to these Bylaws and the rules made hereunder, which pet shall be fed only in a Subleased Unit;
- k) Install any window coverings, visible from the exterior of his Subleased Unit, which are different in size or color from those of the original building specifications;
- l) Hang or display any laundry, washing, clothing, bedding or other articles from windows, balconies or other parts of the buildings so that they are visible from the outside of the building;
- m) Use or install in or about a Subleased Unit any shades, awnings, window or balcony guards, screens, ventilators, supplementary heating or air conditioning devices, except those installations approved in writing by the Board;
- n) Erect on or fasten to the Subleased Unit, the common property or any limited common property any television or radio antenna, satellite dish, or similar structure or appurtenance thereto;
- o) Place any signs, billboards, notices or other advertising matter of any kind on, or visible from, the exterior of a Subleased Unit;
- p) Place any indoor-outdoor carpeting on any deck, patio or balcony, or place any items on any deck, patio or the balcony except free-standing, self-contained planter boxes, barbecues, summer furniture and accessories nor install any hanging plants or baskets or other hanging items within three feet of a balcony

railing line; and

- q) Give keys, combinations, security cards or other means of access to the building, the parking garage or common areas to any person other an employee, contractor, occupant or guest of the Subleased Unit permitted by these Bylaws. Place any mats or carpets in common hallways;
- r) Smoke in any Unit or on any common property or limited common property, including, but not limited to the parkade, hallways, stairwells, lobby and front entrance. For the purposes of this Bylaw the following definitions apply (a) “smoke” or “smoking” includes inhaling, exhaling, burning or carrying of a lighted cigarette, cigar, pipe, hookah pipe or other lighted smoking equipment that burns tobacco or other weed substances; (b) “vape” or Vaping” includes inhaling, exhaling, vaporizing or carrying or using an activated e-cigarette.
- s) The Homeowners Corporation is responsible for watering and maintaining the roof top deck planters.

### **3.5 BARBECUES AND OUTDOOR HEATING DEVICES:**

- a) An Owner, tenant, occupant or visitor of a sublease lot must not use a propane barbeque, hibachi or other like cooking device on any balcony, deck or patio. Only C.S.A. approved electric barbeques or other electrical cooking devices can be used on the balconies.
- b) Except as provided in 3.5 (c) below, an Owner, tenant, occupant or visitor of a sublease lot must not permit the use of any open- flame heating device, or propane heating device on any balcony, deck or patio. Electrical heating devices only are permitted.

### **3.6 BICYCLES AND STORAGE:**

- a) An Owner, tenant, occupant or visitor of a Subleased Unit must not:
  - (i) Use any part of the common property, other than properly designated limited common property, for the storage of any items without the written consent of the Homeowners’ Corp.;
  - (ii) Use any deck, patio or balcony to hang, display, place or store any items visible from the exterior of the homeowner’s corporation unit, except those authorized from time to time by the Homeowners” Corp. Prohibited items include, but are not limited to: clothing, laundry, bedding, bicycles, sporting equipment, children’s play-toys, tin foil, debris, waste material and refuse.
- b) An Owner, tenant or occupant of a Subleased Unit is not permitted to use the power outlets in the designated storage rooms to power or charge any household appliances or electronics.
- c) Bicycles may be:

- (i) Stored inside a Subleased Unit or within a designated storage room or locker assigned to the owner, tenant or occupant;
  - (ii) Chained inside the parking garage, within the perimeter of the parking stall assigned to the owner, tenant or occupant; or
  - (iii) Stored or chained in any other area as may be prescribed by the Homeowner's Corp.
- d) An Owner, tenant, occupant or visitor of a Subleased Unit is wholly responsible for the costs to repair any damage, other than normal wear and tear, caused by moving or transporting bicycles in or through any elevator, stairwell, hallway or any other common area. The duty to perform the repairs remains exclusively with the Homeowners' Association.
- e) An Owner, tenant, occupant or visitor of a Subleased Unit that leaves any items on or in the common property or 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 Homeowners' Corp. by anyone that is insured under that policy.

### **3.7 GARBAGE AND RECYCLING DISPOSAL:**

- a) An Owner, tenant, occupant or visitor of a Subleased Unit must remove all ordinary household refuse and garbage from his or her homeowner's corporation lot and deposit it in the appropriate containers provided by the Subleased Unit for that purpose. All garbage must be bagged and tied before depositing.
- b) An Owner, tenant, occupant or visitor of a Subleased Unit choosing to dispose of ordinary household recyclable materials in the containers provided by the Homeowners' Association must do so in the appropriate, designated container only.
- c) An Owner, tenant, occupant or visitor of a Subleased Unit must empty and flatten all cardboard material prior to disposal.
- d) An Owner, tenant, occupant or visitor of a Subleased Unit must not litter anywhere on the common property.
- e) An Owner, tenant, occupant or visitor of a Subleased Unit must remove materials other than ordinary household refuse, garbage and recycling from the Homeowner's Corp. common property or any limited common property at his or her expense.
- f) An Owner, tenant, occupant or visitor of a Subleased Unit must not deposit or place furniture, appliances, dangerous or toxic materials, building supplies or debris, paints, oils or solvents in any of the containers provided by the Homeowners' Corp.

### **3.8 CHRISTMAS TREES AND HOLIDAY DECORATIONS:**

- a) An Owner, tenant or occupant of a Subleased Unit must not use, display, place or erect real, live "Christmas" trees in or on a Homeowner's Corp. common property or limited common property. Only artificial Christmas trees are permitted.
- b) An Owner, tenant or occupant of a Subleased Unit may use, display or place Christmas or Holiday lights and decorative items on or visible from the exterior of the Homeowner's Corp. common property from December 1 to January 31 only.
- c) Christmas or Holiday lights and decorative items must not be nailed, screwed, stapled or otherwise attached to the exterior of the Subleased Unit, the common or limited common property in a manner that could penetrate the building envelope.

### **3.9 PETS:**

- a) An Owner, tenant or occupant must abide by the following bylaws regarding pets:
- b) An Owner, tenant or occupant must not keep any pets on a Subleased Unit other than one or more of the following:
  - (i) a reasonable number of fish or other small aquarium animals;
  - (ii) a reasonable number of small caged animals;
  - (iii) up to 2 caged birds;
  - (iv) one dog or one cat.
- c) An Owner, tenant or occupant must ensure that all animals are leashed or otherwise secured and in the presence of a responsible person when on the common property.
- d) An Owner, tenant or occupant must immediately remove from common property or land that is a common asset, all pet excrement arising from the resident's pet or any pet belonging to a resident's visitor.
- e) An Owner, tenant or occupant is responsible to pay for any damage, repairs, replanting of grass, shrubs or trees, or cleanup of any kind that is required due to their pet's activities in the complex.
- f) An Owner, tenant or occupant must not bring any dangerous or poisonous animals onto a Subleased Unit, the common property or on land that is a common asset.
- g) An Owner, tenant or occupant shall not permit their pet to interfere with any other person, pet or object, or permit their pet to disturb any other resident with

uncontrolled barking, howling noise.

- h) An Owner, tenant or occupant must not feed birds, rodents or other wild animals from any homeowner's corporation lot, limited common property or land that is a common asset. No birdfeeders of any kind are permitted to be kept on balconies, of Subleased Units, common property or land that is a common asset.

### **3.10 PARKING:**

- a) An Owner, tenant or occupant shall use the parking space which has been specifically assigned to his/her Subleased Unit, except for private arrangements with other owners for the use of parking spaces assigned to such other owners.
- b) The parking space assigned to a Subleased Unit shall not be rented or leased to non-residents, except with the permission of the Board.
- c) An Owner, tenant or occupant is not permitted to park in the visitor parking area.
- d) No one shall park, or leave unattended, any vehicle in such a position that it does not interfere with other parking spaces, nor shall a vehicle is left in such a way that it blocks or infringes upon access lanes or the fire route.
- e) No major repairs or oil changes are to be made in the common property.
- f) Vehicles dripping oil, antifreeze, or fuel, shall be prohibited from parking in stalls until repaired. Owners of vehicles causing oil stains or damage to the pavement shall, at the Board's notification, clean up all the drippings from their vehicle, or on failure to do so within seven (7) days of receipt of notice, shall be assessed the cost of the clean- up and/or repair. Smaller oil drips may be collected by placing an appropriate pan under the vehicle; pieces of cardboard or carpet are not acceptable.
- g) The washing of vehicles is not permitted inside the parking garage.
- h) No uninsured vehicle may be parked anywhere on the property except with the written permission of the Homeowners' Corp. and proof of liability coverage.
- i) All unauthorized vehicles found in allocated spaces will be removed at the vehicle owner's expense.
- j) Any Owner, tenant or occupant who parks his vehicle or permits his guest to park a vehicle in contravention of this Bylaw will be fined or have the vehicle removed at the owner's expense, or both.
- k) An 10 km/hr speed limit maximum is to be observed in underground parking: headlights are to be used at all times in the underground parking areas.
- l) All Owners, tenants or occupants are to wait for the garage door to close completely when entering or leaving underground parking area after dark.

### **3.11 MOVING IN AND MOVING OUT:**

- a) It is goal of the Homeowner's Corp. to do everything possible to preserve the security of the building and its residents. The following procedures shall be followed by residents moving in and out of the buildings. Such procedures are designed to secure the building, control moving related damage and respect the right of each resident to peacefully enjoy their home and building.
- b) Moves shall occur between the hours of 8:00 a.m. – 9:00 p.m. Monday to Friday and 9:00a.m. – 9:00 p.m. Saturday and Sunday.
- c) Moving residents shall ensure building security is not jeopardized during a move. Doors to the building shall not be left unattended at any time.
- d) Owners, tenants or occupants must adhere to the Rules in place governing move-ins and move-outs. Any Owner tenant or occupant that is in violation of Bylaws shall be liable to a fine of \$200.00 per occurrence.
- e) In order to cover the costs associated with preparing the building for a move, and to cover the minor damage to common areas that would not be covered by the damage to common areas that would not be covered by the damage deposit, each subleases lot will be assessed a non-refundable move-in fee of \$100.00 every time new residents move into the unit. This one-time fee also covers the costs related to their move out of the unit.
- f) In order to cover the costs of repairing damage to common areas caused by someone when they are moving, a damage deposit of \$500.00 shall be assessed against each Subleased Unit whenever the occupants are moving in or out of the Subleased Unit. Following completion of the move, and on inspection of the common areas confirming that no significant damage has occurred, the security deposit will be refunded.
- g) Owners must contact the Building Manager (if there is no Building Manager then the Homeowners' Corp.) 5 days prior to anyone moving in or out of their unit to reserve an elevator key and padding. This applies to moving in or out of the building or from one Subleased Unit to another Subleased Unit within the apartment building.

### **4. INFORM HOMEOWNERS' CORP.**

4.1 Within 2 weeks of becoming an Owner, an Owner must inform the Homeowners' Corp. of the Owner's name, the Subleased Unit number and mailing address.

4.2 On request by the Homeowners' Corp, a tenant or occupant must inform the Homeowners' Corp. of his or her name and must provide the Homeowners' Corp. with proof thereof if so requested.

## **5. OBTAIN APPROVAL BEFORE ALTERING A SUBLEASED UNIT**

5.1 An Owner, tenant or occupant must not make any alteration to a Subleased Unit that involves any of the following:

- a) The structure of a building;
- b) The exterior of a building;
- c) Chimneys, stairs, balconies or other things attached to the exterior of a building;
- d) Doors, windows or skylights on the exterior of a building, or that front on the common property;
- e) Fences, railings or similar structures that enclose a patio, balcony or yard;
- f) Common property located within the boundaries of a Subleased Unit;
- g) Those parts of the Subleased Unit which the Homeowners' Corp. must insure under these Rules and Regulations.

## **6. OBTAIN APPROVAL BEFORE ALTERING COMMON PROPERTY**

- 6.1 An Owner, tenant or occupant must obtain the written approval of the Homeowners' Corp. before making an alteration to common property, including limited common property, or common assets.
- 6.2 The Homeowners' Corp. may require as a condition of its approval that the Owner, tenant or occupant agree, in writing, to take responsibility for any expenses relating to the alteration.

## **7. PERMIT ENTRY TO SUBLEASED UNIT**

7.1 An Owner, tenant, occupant or visitor must allow a person authorized by the Homeowners' Corp. to enter the Subleased Unit:

- a) In an emergency, without notice, to ensure safety or prevent significant loss or damage, and
- b) At a reasonable time, on 48 hours written notice to inspect, repair or maintain common property, common assets and any portions of a Subleased Unit that are the responsibility of the Homeowners' Corp. to repair and maintain under these bylaws or insure under these rules.

7.2 The notice referred to in subsection 7.1(b) must include the date and approximate time of entry, and the reason for entry.

## **DIVISION 2 POWERS AND DUTIES OF HOMEOWNERS' CORP.**

### **8. REPAIRS & MAINTAINENCE OF PROPERTY BY HOMEOWNERS' CORP.**

8.1 The Homeowners' Corp. must repair and maintain all of the following:

- a) Common assets of the Homeowner's Corp.;
- b) Common property that has not been designated as limited common property;
- c) Limited common property, but the duty to repair and maintain it is restricted to:
  - (i) Repair and maintenance that in the ordinary course of events occurs less often than once a years, and
  - (ii) The following, no matter how often the repair of maintenance ordinarily occurs:
    - 1) The structure of a building;
    - 2) The exterior of a building;
    - 3) Chimneys, stairs, balconies and other things attached to the exterior of a building;
    - 4) Doors, windows and skylights on the exterior of a building or that front on the common property;
    - 5) Fences, railings and similar structures that enclose patios, balconies and yards.

## **DIVISION 3 – BOARD OF DIRECTORS OF THE HOMEOWNERS' CORP.**

### **9. BOARD SIZE**

9.1 The Board must have at least 2 and not more than 9 members.

### **10. BOARD MEMBERS' TERMS**

10.1 The term of office of a Board member ends at the end of the Annual General Meeting at which the new Board is elected.

10.2 A person whose term as Board member is ending is eligible for re-election.

10.3 No person may stand for the Board or continue to be on the Board with respect to a Subleased Unit if that Owner is in default of any payments due to the Homeowners' Corp.

10.4 No person other than and Owner of a Subleased Unit can be elected to the Board.

## **11. REMOVING A BOARD MEMBER**

11.1 The Homeowner's Corp. may, by a resolution passed by a majority vote at an Annual or Special General Meeting, remove one or more Board members.

11.2 After removing a Board member, the Homeowner's Corp. must hold an election at the same annual or special general meeting to replace the Board member for the remainder of the term.

## **12. REPLACING A BOARD MEMBER**

12.1 If a Board member resigns or is unwilling or unable to act for a period of 2 or more months, the remaining members of the Board may appoint a replacement Board member for the remainder of the term.

12.2 A replacement Board member may be appointed from any person eligible to sit on the Board.

12.3 The Board may appoint a Board member under this section even if the absence of the member being replaced leaves the Board without a quorum.

12.4 If all the members of the Board resign or are unwilling or unable to act for a period of 2 or more months, persons holding at least 25% of the Homeowner's Corporation's votes may hold a special general meeting to elect a new Board.

## **13. OFFICERS**

13.1 At the first meeting of the Board held after each Annual General Meeting of the Homeowner's Corp., the Board must elect, from among its members, a president, a vice president, a secretary and a treasurer.

13.2 A person may hold more than one office at a time, other than the offices of president and vice president.

13.3 The vice president has the powers and duties of the president:

- a) While the president is absent or is unwilling or unable to act, or
- b) For the remainder of the president's term if the president ceases to hold office.

13.4 If an officer other than the president is unwilling or unable to act for a period of 2 or more months, the Board members may appoint a replacement officer from among themselves for the remainder of the term.

## **14. CALLING BOARD MEETINGS**

14.1 Any Board member may call a Board meeting by giving the other Board members at least one week's notice of the meeting, specifying the reason for calling the meeting.

14.2 The notice does not have to be writing.

14.3 A Board meeting may be held on less than one week's notice if:

- a) All Board members consent in advance of the meeting, or
- b) The meeting is required to deal with an emergency situation and all Board members either:
  - (i) Consent in advance of the meeting, or
  - (ii) Are unavailable to provide consent after reasonable attempts to contact them.

14.4 The Board must inform Owners about a Board meeting as soon as feasible after the meeting has been called.

## **15. REQUISITION OF A BOARD HEARING**

15.1 By application in writing, stating the reason for the request, an Owner, tenant or occupant may request a hearing at a Board meeting.

15.2 If a hearing is requested under subsection 15.1, the Board must hold a meeting to hear the applicant within one month of the request.

15.3 If the purpose of the hearing is to seek a decision of the Board, the Board must give the applicant written decision within one week of the hearing.

## **16. QUORUM OF BOARD**

16.1 A quorum of the Board is:

- a) 2, if the Board consists of 2 or 4 members,
- b) 3, if the Board consists 5 or 6 members, and
- c) 4, if the Board consists of 7 - 9 members.

16.2 Board members must be present in person (or electronically if the meeting is held electronically as contemplated by Article 17 below) at the Board meeting to be counted in establishing quorum.

## **17. BOARD MEETINGS**

17.1 At the option of the Board, Board meetings may be held electronic means, so long as all Board members and other participants can communicate with each other.

17.2 If a Board meeting is held by electronic means, Board members are

deemed to be present in person.

17.3 Owners may attend Board meetings as observers.

17.4 Despite subsection (17.3), no observers may attend those portions of Board meetings that deal with any of the following:

- a) Bylaw contravention hearings;
- b) Rental restrictions bylaw exemption hearings;
- c) Any other matters where the presence of observers would, in the Board's opinion, unreasonably interfere with an individual's privacy.

## **18. VOTING AT BOARD MEETINGS**

18.1 At Board meetings, decisions must be made by a majority of Board members present in person at the meeting.

18.2 If there is a tie vote at a Board meeting, the president may break the tie by casting a second, deciding vote.

18.3 The results of all votes at a Board meeting must be recorded in the Board meeting minutes.

## **19. BOARD TO INFORM OWNERS OF MINUTES**

19.1 The Board must inform Owners of the minutes of all Board meetings within 2 weeks of the meeting, whether or not the minutes have been approved.

## **20. DELEGATION OF THE BOARD'S POWERS AND DUTIES**

20.1 Subject to subsections 20.2 to 20.4, the Board may delegate some or all of its powers and duties to one or more Board members or persons who are not members of the Board, and may revoke the delegation.

20.2 The Board may delegate its spending powers or duties, but only by a resolution that:

- a) Delegates the authority to make an expenditure of a specific amount for a specific purpose, or
- b) Delegates the general authority to make expenditures in accordance with subsection 20.3.

20.3 A delegation of a general authority to make expenditures must:

- a) Set a maximum amount that may be spent, and

- b) Indicate the purposes for which, or the conditions under which, the money may be spent.

20.4 The Board may not delegate its powers to determine, based on the facts of a particular case:

- a) Whether a person has contravened a bylaw or rule,
- b) Whether a person should be fined, and the amount of the fine, or
- c) Whether a person should be denied access to a recreational facility.

## **21. SPENDING RESTRICTIONS**

21.1 A person may not spend the Homeowner's Corp.'s money unless the person has been delegated the power to do so in accordance with these bylaws.

21.2 Despite subsection 21.1, a Board member may spend the Homeowners Corp.'s money to repair or replace common property or common assets if the repair or replacement is immediately required to ensure safety or prevent significant loss or damage.

## **22. LIMITATION ON LIABILITY OF A BOARD MEMBER**

22.1 A Board member who acts honestly and in good faith is not personally liable because of anything done or omitted in the exercise or intended exercise of any power or the performance or intended performance of any duty of the Board.

22.2 subsection 22.1 does not affect a Board member's liability, as an Owner, for a judgement against the Homeowners' Corp.

## **DIVION 4 – ENFORCEMENT OF BYLAWS AND RULES**

### **23. MAXIMUM FINES**

23.1 The Homeowners' Corp. may fine an Owner, tenant or occupant a maximum of:

- a) \$200.00 for each contravention of bylaw, and
- b) \$50.00 for each contravention of any rule enacted by the Homeowners' Corp. subsequent to these Bylaws being adopted by the Homeowners' Corp.

23.2 The Homeowners' Corp. may impose a fine on an owner or tenant for a Continuing contravention of a Bylaw or rule every seven days.

23.3 Each Owner, tenant or occupant is responsible for payment, without invoice, of any money (other than sublease fees, but including special levies) owing to the Homeowners' Corp. as provided for in these Bylaws.

23.4 If an Owner, tenant or occupant fails to pay any money (other than homeowners maintenance fees, but including special levies) owing to the Homeowners' Corp. within 15 days after the date such money becomes due, then the Owner, tenant or occupant will be assessed and required to pay fines according to the following schedule:

- a) After being given written notice of the default and provided with a reasonable opportunity to answer the complaint (including a hearing, if requested), a \$25.00 fine will be levied against and paid by the Owner, tenant or occupant;
- b) If such default continues for a further 15 days, an additional \$50.00 fine will be levied against and paid by the Owner, tenant or occupant;
- c) For each additional month such default continues, an additional fine of \$100.00 will be levied against and paid by the Owner, tenant or occupant.

23.5 Additional assessments, fines authorized by these Bylaws, banking charges, filing costs, legal expenses, interest charges and any other expenses incurred by the Homeowners' Corp. in any action to enforce either:

- (i) These Bylaws, as they may be amended from time to time, or
- (ii) Any rule which may, from time to time, be established by the Board pursuant to these Bylaws,

shall become part of the assessment of the Owner responsible and shall become due and payable on the first day of the month next following, except that any amount owing in respect of a fine or the cost of remedying the contravention of a Bylaw will be calculated as a separate component of such assessments and the Homeowners' Corp. may not register a lien against such separate component.

## **24. CONTINUING CONTRAVENTION**

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

## **25. PERSON TO CHAIR MEETING**

25.1 Annual and special meetings must be chaired by the president of the Board.

25.2 If the president of the Board is unwilling or unable to act, the meeting must be chaired by the vice president of the Board.

25.3 If neither the president nor the vice president of the Board chairs the meeting a chair must be elected by the eligible voters present in person or by proxy from among those persons who are present at the meeting.

## **26. PARTICIPATION BY OTHER THAN ELIGIBLE VOTERS**

26.1 Tenants and occupants may attend Annual and Special General Meetings, whether or not they are eligible to vote.

26.2 Persons, who are not eligible to vote, including tenants and occupants, may participate in the discussion at the meeting, but only if permitted to do so by the chair of the meeting.

26.3 Persons, who are not eligible to vote, including tenants and occupants, must leave the meeting if requested to do so by a resolution passed by a majority vote at the meeting.

## **27. VOTING**

27.1 At an Annual or Special General Meeting, voting cards must be issued to eligible voters.

27.2 At an Annual or Special General Meeting a vote is decided on a show of voting cards, unless an eligible voter requests a precise count.

27.3 If a precise count is requested, the chair must decide whether it will be by show of voting cards or by roll call, secret ballot or some other method.

27.4 The outcome of each vote, including the number of votes for and against the resolution if a precise count is requested, must be announced by the chair and recorded in the minutes of the meeting.

27.5 If there is a tie vote at an Annual or Special General Meeting, the president or, if the president is absent or unable or unwilling to vote, the vice president may break the tie by casting a second, deciding vote.

27.6 Despite anything in this section, an election of a Board member must be held by secret ballot, if the secret ballot is requested by an eligible voter.

27.7 At Owner who is otherwise an eligible voter may not exercise his or her vote for a Subleased Unit of the Homeowners' Corp. is entitled to register a lien against that Subleased Unit.

27.8 Notwithstanding subsection 27.7, all Owners that are eligible voters may vote on all matters requiring a unanimous vote.

## **28. ORDER OF BUSINESS**

28.1 The order the business at annual and special general meetings is as follows:

- a) Certify proxies and corporate representatives and issues voting cards,
- b) Determine that there is a quorum,
- c) Elect a person to chair the meeting, *if necessary*,
- d) Present to the meeting proof of notice of meeting or waiver of notice,
- e) Approve the agenda,
- f) Approve minutes from the last Annual or Special General Meeting,
- g) Deal with unfinished business,
- h) Receive reports of Board activities and decisions since the previous Annual General Meeting, including reports of committees, if the meeting is an Annual General Meeting,
- i) Ratify any new rules made by the Homeowners' Association under the rules,
- j) Report on insurance coverage in accordance with these rules, if the meeting is an Annual General Meeting,
- k) Approve the budget for the coming year in accordance with these rules, if the meeting is an Annual General Meeting,
- l) Deal with new business, including any matters about which notice has been given under these Homeowners' Association rules,
- m) Elect a Board, if the meeting is an Annual General Meeting,
- n) Terminate the meeting.

## **29. QUORUM FOR ANNUAL AND SPECIAL GENERAL MEETINGS**

29.1 If an Annual or Special General Meeting is convened upon the requisition of the Owners, and if within ½ hour from the time appointed for the meeting a quorum is not present, the meeting shall be terminated.

29.2 For any other Annual or Special General Meeting, if within ½ hour from the time appointed for the meeting a quorum is not present, the eligible voters present in person or by proxy shall constitute a quorum.

## **DIVISION 6 – VOLUNTARY DISPUTE RESOLUTION**

### **30. VOLUNTARY DISPUTE RESOLUTION**

30.1 A dispute among Owners, tenants, occupants, the Homeowners' Association or any combination of them may be referred to a dispute resolution committee by a party to the dispute of:

- a) All the parties to the dispute consent, and
- b) The dispute involves regulations, the bylaws or the rules.

30.2 A dispute resolution committee consists of:

- a) One Owner, tenant or occupant of a Subleased Unit nominated by each of the disputing parties and one Owner, tenant or occupant chosen to chair the committee by the persons nominated by the disputing parties, or
- b) Any number of persons consented to, or chosen by a method that is consented to, by all the disputing parties.

30.3 The dispute resolution committee must attempt to help the disputing parties to voluntarily end the dispute.

## **DIVISION 7 - LIMITED RENTALS AND TEMPORARY TENANTS & OCCUPANCY**

### **31. RENTAL RESTRICTIONS**

31.1 The rental of a Subleased Unit is permitted.

31.2 The Subleased Unit Owner shall be ultimately responsible for his/her tenant's conduct activities, fines, and penalties or damages. Owners must ensure that their prospective tenants are suitable and compatible with other residents. Owners must thoroughly interview their prospective tenants and ensure they complete a written application form and Tenancy Agreement. Verification of all information must be done. Owners must:

- (i) Provide tenants with the current Bylaws and Rules;
- (ii) Complete a Notice of Tenant's Responsibilities in a form required by the Homeowners' Corp.
- (iii) Consult with the tenant's current and previous landlord: and, provide the Bylaws to the prospective tenant and advise them these Bylaws will be strictly enforced.

31.3 A tenant in a must comply with the bylaws and rules of the Homeowner's Corp. that are in force from time to time.

31.4 The bylaws and rules may be changed by the Homeowner's Corp., and if they are changed, the tenant must comply with the changed bylaws and rules.

31.5 If a tenant or occupant of the Owner's Subleased Unit, or a person visiting the tenant or admitted by the tenant for any reason, contravenes a bylaw or rule, the tenant is responsible and may be subject to penalties, including fines, denial of access to recreational facilities and if the Homeowner's Corp. incurs costs for remedying a contravention, payment of those costs.

31.6 Owners who rent their units must be sure that tenants understand the Bylaws and Rules of the Homeowner's Corp.

31.7 Unit rental is limited to a minimum rental term of three months. i.e. no weekly rentals or AIRBNB (or similar programs) arrangements are permitted.

## **DIVISION 8 – MARKETING ACTIVITIES BY OWNER DEVELOPER**

### **32. DISPLAY LOT**

32.1 If the Developer has an unsold Subleased Unit it may carry on sales functions that relate to its sales, including the posting of signs.

32.2 The Developer may use a Subleased Unit, that the Developer owns or rents, as a display lot for the sale of other Subleased Units in the development plan or any development of the Developer in the vicinity of Andmar.

### **33. SELLING OF HOMEOWNER'S CORPORATION LOTS**

33.1 An Owner of a Subleased Unit, when selling his or her Subleased Unit, must not:

- a) Place or permit to be placed "For Sale" signs on or visible from the exterior of a Homeowner's Corp.'s common property; or
- b) Place or permit to be placed "For Sale" signs on or about the common property except on the sign-post, located near the entrance of the complex, designated for that purpose

### **34. SALE OF UNITS BY A SUBLESSEE**

34.1 While the Developer is still marketing Residential Units in the Development outside realtors shall not be permitted to hold open houses in the Development.

34.2 Any Sublessee wishing to sell his/her/ its Unit in the Development while the Developer is still marketing Residential Units in the Development must do so through the Developer's in house marketing realtors.

## **DIVISION 9 – INSURANCE & COURT CASES**

### **35. INSURANCE**

- 35.1 The Homeowners' Corp. must obtain and maintain all risk property insurance for the Common Property as set out in the Head Lease and the Sublease for the Common Property.
- 35.2 The Homeowners' Corp. must also obtain and maintain liability insurance and errors and omissions insurance as set out in the Head lease and the Sublease for the Common Property.
- 35.3 On the written request of an Owner, the Homeowners' Corp. shall produce to him a copy of the insurance policy or policies and verification of the premium.
- 35.4 In the event that loss or damage occurs to Common Property or Limited Common Property or Common Facilities and gives rise to a valid claim under the Homeowner's Corp. insurance policy, it is agreed and understood that, if the origination of the loss is within the interior confines of an individual Subleased Unit for which the Owner is responsible, the Homeowners' Corp. may sue the Subleased Unit Owner for the deductible of the Homeowners' Corp.'s policy relative to the loss, and such deductible shall be paid by the individual Subleased Unit Owner in whose lot the cause of the damage originated.
- 35.5 The foregoing shall also apply if the careless, negligent or inattentive acts of a Subleased Unit Owner, tenant or occupant causes damage outside the Subleased Unit and the origination of the loss is anywhere on the premises.
- 35.6 In the event that an Owner, tenant or occupant or any member of their family or their guests, servants or agents causes damage to Common Property, limited Common Property or Common Facilities, and the damage so caused gives rise to a valid claim under the Homeowners' Corp.'s insurance policy, the deductible of the Homeowners' Corp.'s policy relative to the loss shall be paid by the individual Subleased Unit Owner.
- 35.7 In the event that an Owner, tenant or occupant or any member of their family or their guest, servants or agents causes damage to Common Property, Limited Common Property or Common Facilities and the damage so caused is not covered under the insurance in place, the Subleased Unit Owner shall be held responsible for such loss and promptly reimburse the Homeowners' Corp. for the costs of repair or replacement.
- 35.8 Damage to personal property of a Subleased Unit Owner, tenant or occupant, or their guests, servants or agents, or damage together with any upgrading, substituting, improvements or betterment to the Subleased Unit that have been made or acquired by the present Owner of the Subleased Unit from those originally installed shall be the responsibility of the Subleased Unit Owner.

## **36. INSURANCE CLAIMS**

- 36.1 An Owner shall be deemed to be responsible for any loss or damage, however caused, to a manager's suite (if applicable), or to common property or assets, or to limited common property, which arises totally from within the Owner's Subleased Unit, up to the amount of the insurance deductible on the insurance policy maintained by the Homeowners' Corp. and shall reimburse the Homeowners' Corp. for the cost of repairing or remedying the loss or damage up to the amount of the deductible.
- 36.2 For the purpose of this Bylaw, any costs for which an Owner is responsible shall be considered as an expense chargeable to the Owner and shall be added to and become a part of the assessment of that Owner for the month next following the date on which the expense was incurred and shall become due and payable on the date of payment of the monthly assessment.
- 36.3 An Owner who fails to pay the cost of repair or remedying the loss or damage when due shall reimburse the Homeowners' Corp. and save it, harmless against any and all costs and expenses required to collect such reimbursement, whether by court action or other means and including Board member or management costs associated with lost time from employment, homeowners' Association management costs and legal costs, compromised of legal fees, taxes, disbursement and other related expenses, as between a solicitor and his own client or on a full indemnity basis.

## **37. SMALL CLAIMS ACTION**

- 37.1 Notwithstanding any provision in the Sublease or Homeowners' Corp.'s bylaws, the Homeowners' Corp. may proceed under the Small Claims Act (British Columbia) against an Owner or other person to collect money owing to the Homeowners' Corp., including money owing as a fine, without requiring authorization by a resolution passed by a  $\frac{3}{4}$  vote.

## **38. SECURITY MONITORING**

- 38.1 To ensure the safety and security of its Owners, tenants or occupants and visitors, each building in the Development shall use video surveillance and key fobs. All video footage and fob records will be used for law enforcement and the enforcement of the Homeowners' Corp.'s Bylaws that relate to safety and security.
- 38.2 Surveillance cameras are installed in common areas of the building. These cameras record 24 hours a day.
- 38.3 Fob devices are provided to Owners, tenants and occupants so that they may access specific areas of the building.
- 38.4 Data from the surveillance cameras and fob usage records are collected and stored on a secure recording device.
- 38.5 Data and records are kept for up to 30 days from the date recorded but this period

may be extended if information is required for law or Bylaw enforcement.

38.6 The personal information of owners, tenants, occupants and visitors contained in video footage or fob records will only be disclosed:

- a) To Board members and Management;
- b) To law enforcement; and
- c) To Owners, tenants, occupants or visitors involved or affected by an accident that make an access request to the Board specifying dates and times.

38.7 The Homeowners' Corp. makes no representations or guarantees that the video surveillance or fob keys will be operational at all times and is, therefore, not liable or otherwise responsible for personal security or personal property in a monitored area in the event the video surveillance or fob key system fails to operate.

### **39. ALARMS**

39.1 Management must be advised of any suite that is alarmed or monitored.

39.2 Alarms must be silenced within 30 minutes.

39.3 The Homeowners' Corp. has the right to enter the suite after 30 minutes and silence or disable the alarm.

### **40. FINES & INFRACTIONS**

40.1 Notification of possible violations of the Bylaws or Rules and regulations by an Owner must be received using the appropriate complaint form, which is available from the Board of Directors or the Property Manager. The Complaint form must be signed and sent or delivered to the Board of Directors.

40.2 The Board will determine if the complaint is a candidate for dispute resolution, in which case, it will be referred to the Dispute Resolution Committee, as provided in Article 30 hereof. If the Dispute Resolution Committee process is not considered appropriate, or is attempted but not successful, or is not acceptable to either party to the complaint, the matter will be referred by the Board of Directors to the Property Manager.

40.3 Within a timely manner, upon receipt of the notification, a written notice of the violation will be sent by the Property Manager to the alleged offender allowing him/her two (2) weeks from the notification date to stop or correct the alleged Bylaw or Rule and Regulation violation.

40.4 If, at the end of the (2) week grace period, the violation is not stopped or corrected, the Property Manager will notify the offender, by means of a registered letter, that he/she is now in violation of a Bylaw or a Rule and Regulation and will be charged

the fines as specified below.

40.5 A violation of these Bylaws or any Rules and Regulations established under them on the part of an Owner, his/her employees, agents or invitees may be connected, remedied or cured by the Homeowners' Corporation. Any costs or expense so incurred by the Homeowners' Corporation shall be charged to that Owner and shall be added to and become part of the assessment of that Owner for the month next following the date on which the costs or expenses are incurred, but not necessarily paid by the Homeowners' Corporation and shall become due and payable on the date of payment of the monthly assessment.

40.6 The Homeowners' Corporation may recover from the Owner by an action for debt in a court of competent jurisdiction money which the Homeowners' Corporation is required to expend, as a result of an action or omission by the Owner, his/her employees, agents or invitees or a violation of these Bylaws or any Rules or Regulations established under them.

40.7 Following a letter of warning, unless otherwise stated in the Bylaws, the fine for a violation of the Bylaws or any Rule or Regulation established by the Directors or a committee of the Homeowners' Corporation is \$100.00 per violation.

40.8 Unless otherwise stated in the Bylaws or Rules or Regulations, outstanding fines for violations are payable for each month the fine is outstanding and will increase in as follows:

<u>Month</u>	<u>Fine</u>	<u>Total Due</u>
1 <sup>st</sup>	\$100.00	\$100.00
2 <sup>nd</sup>	\$200.00	\$300.00
3 <sup>rd</sup>	\$300.00	\$600.00

40.9 Unless otherwise stated in the Bylaws or the Rules or Regulations, fines for the 2<sup>nd</sup> and subsequent violations of the same Bylaw, Rule or Regulations by the same person are cumulative and shall increase, to a maximum of \$2,000.00 per event as follows:

2 <sup>nd</sup> violation	\$250.00
3 <sup>rd</sup> violation	\$500.00
4 <sup>th</sup> violation	\$1,000.00
5 <sup>th</sup> violation	\$2,000.00

40.10 Any fines levied by the Homeowners' Corporation for a violation of the Bylaws or any Rules or Regulations established under them on the part of and Owner, the Owner's employees, agents or invitees must:

(a) be charged to the Owner; and

(b) must be added to and become a part of the assessment of that Owner for the month next following the date on which the violation occurred and become due and payable on the date of payment of the monthly assessment.

40.11 The Homeowners' Corporation may recover from the Owner by an action for debt in any court of competent jurisdiction any sum of money which the Homeowners' Corporation is required to expend as a result of any act or omission by the Owner, his/her employees, agents or invitees, which violates the Bylaws or Rules and Regulations, and these shall be added to any amount found due, all costs of such action including costs as between solicitor and client.

**END OF BYLAWS**



**Andmar**

Exhibit M

Control relinquishing agreement

**ANDMAR DEVELOPMENT CORP.**  
**CONTROL RELINQUISHING AGREEMENT**

BETWEEN:

**ANDMAR DEVELOPMENT CORP.**

a B.C. company having its registered office at Suite 201–585 16<sup>th</sup> Street,  
West Vancouver, BC, V7V 3R8

(“Andmar”)

AND:

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(“Sublessee”)

WHEREAS:

1. Andmar is the developer of certain lands located on the Tzeachten Indian Reserve No. 13, more particularly known and described as Lots 381 & 382 CLSR Plan 107517

(“Lands”);

2. The development (the “Development”) consists of mixed commercial and apartment style residences which may be constructed in two phases and when fully developed may contain in up to 300 apartment residences (the “Units”) which will be subleased by the Andmar to Sublessees;
3. The Sublessee is acquiring a Sublease of a Unit in the Development.
4. The common areas of the Development will be maintained and controlled by Andmar Homeowners’ Corp. (“AHC”);
5. The share capital of AHC consists of one Class A Voting Share and an unlimited number of Class B Non Voting Shares;
6. Andmar shall own one Class A Voting Share and shall maintain control of AHC for a period of up to six months after the last Unit in both phases has been sold (the “Relinquishment Date”);
7. Each Sublessee will be issued one Class B Non-Voting Share upon purchase of his/her/its Sublease;

8. On the Relinquishment Date Andmar shall relinquish control of AHC to the Sublessees as disclosed in the Information Statement provided to each of the Sublessees prior to entering into the contract to purchase of his/her/its Sublease;

NOW WITNESSETH in consideration of Andmar selling a sublease of the Unit to the Sublessee and in consideration of the Sublessee purchasing the sublease for the Unit the parties agree as follows:

1. Andmar is the owner of one Class A Voting Share of AHC.
2. The Sublessee upon completion of the purchase of his/her/its sublease for a Unit in the Development shall be issued one Class B Non-Voting Share of AHCt.
3. On the Relinquishment Date, Andmar shall cause AHC to pass a special resolution to:
  - (i) alter the share capital of AHC thereby making the Class B Non-Voting Shares Voting Shares instead of Non-Voting Shares.
  - (ii) buy back the one Class A Voting Share issued to Andmar for its issue price of \$0.01;
  - (iii) alter the share capital of AHC to delete the Class A Voting Share.
4. Upon alteration of the share capital of AHC as described above the share capital of AHC shall consist of as many Class B Voting Shares as there are Units in the Development.
5. Upon alteration of the share capital of AHC as described above control of AHC shall vest solely in the Sublessees of the Units in phases one and two of the Development.
6. Should ANDMAR fail to alter the share capital of AHC as described in paragraph 3 above, on the Relinquishment Date Andmar hereby irrevocably appoints the Sublessees of the Units in phase one and phase two of the Development as its lawful power of attorney to vote its Class A share in AHC in such manner as to effect the changes in the share capital of AHC as contemplated by paragraph 3 above and to give effect to the changes contemplated by the said paragraph 3 hereof.
7. The Sublessee as an owner of a Class B Non-Voting Share of SkyNest hereby consents to the alteration of the Class B Non-Voting Shares from Non-Voting shares to Voting Shares as contemplated by paragraphs 3 or 6 hereof.
8. Time is of the essence of this Agreement and each and all of its provisions.
9. No amendment or variation of this Agreement or any of the terms contained therein shall be binding upon the parties hereto unless it is in writing and signed by all parties, but any such amendment or variation properly consented to shall be adhered to and have the same force and effect as if they had been made originally and formed a part of this Agreement.

10. If at any time any dispute or difference or question arises between the parties hereto or any of their representatives with regard to the construction of or meaning or effect of this agreement, or anything contained herein or the rights or liabilities of the parties, or their representatives in relation to these premises then every such dispute, difference or question shall be settled by arbitration, pursuant to the *Commercial Arbitration Act*, R.S.B.C., 2002 and amendments thereto.
11. The parties agree to do all other acts and execute all other instruments as may be necessary and proper for the purposes of this Agreement.
12. That any offers or notices as required by this Agreement or any notices of a changed address shall be served upon the other parties to this Agreement either personally or by registered mail addressed to the other party at the address set forth on page 1 of this Agreement, which address shall remain until notice of change is given to the other party in the manner prescribed herein. Any notice served by registered mail shall be deemed to have been received by the addressee on the third day subsequent to the date of mailing.
13. This Agreement may be simultaneously executed in several counterparts each of which when so executed shall be deemed to be an original and such counterparts together shall constitute but one and the same instrument.
14. This agreement may be executed in handwriting or digitally and may be sent by facsimile transmission or by any other electronic and/or digital means and whereso executed digitally or sent by facsimile transmission and/or electronic or digital means shall be deemed to be as valid and enforceable as had the parties all executed and delivered an original copy of this agreement.
15. The rights and liabilities of the parties hereto and the interpretation of the provisions of this Agreement shall be governed by the laws of the Province of British Columbia and the Courts of British Columbia shall have exclusive jurisdiction over any litigation that may arise out of the terms of this agreement or out of the relationship of the parties hereby created.
16. No failure or delay on the part of either party in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. Except as may be limited herein, either party may, in its sole discretion, exercise any and all rights, powers, remedies and recourses available to it under this Agreement or any other remedy available to it and such rights, powers, remedies and recourses may be exercised concurrently or individually without the necessity of making any election.

17. All words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case required, and the verb agreeing therewith shall be construed as agreeing with the required word or pronoun.
18. This agreement shall enure to the benefit of and be binding upon the heirs, personal representatives, executors, executrices and administrators, committees, receivers, trustees in bankruptcy, successors and permitted assignees of each of the parties hereto.

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_

**ANDMAR DEVELOPMENT  
CORP.**

Per:

\_\_\_\_\_  
ANDREW MACDONALD

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_

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