
**DISCLOSURE STATEMENT
OF
RELENTLESS HOLDING COMPANY INC.**

Address for Service: 111 Wallace Street, Nanaimo, BC, V9R 5L9
Business Address: 202 – 6010 Brickyard Road, Nanaimo, BC V9V 1S5

THIS DISCLOSURE STATEMENT HAS BEEN FILED WITH THE SUPERINTENDENT OF REAL ESTATE, BUT NEITHER THE SUPERINTENDENT NOR ANY OTHER AUTHORITY OF THE GOVERNMENT OF THE PROVINCE OF BRITISH COLUMBIA HAS DETERMINED THE MERITS OF ANY STATEMENT CONTAINED IN THE DISCLOSURE STATEMENT, OR WHETHER THE DISCLOSURE STATEMENT CONTAINS A MISREPRESENTATION OR OTHERWISE FAILS TO COMPLY WITH THE REQUIREMENTS OF THE *REAL ESTATE DEVELOPMENT MARKETING ACT*. IT IS THE RESPONSIBILITY OF THE DEVELOPER TO DISCLOSE PLAINLY ALL MATERIAL FACTS, WITHOUT MISREPRESENTATION.

**Agent: Brian McCullough Personal Real Estate Corporation
Re/Max of Nanaimo, #1 – 5140 Metral Drive, Nanaimo, BC, V9T 2K8**

This Disclosure Statement relates to a development property that is not yet completed. Please refer to section 7.2 for information on the purchase agreement. That information has been drawn to the attention of _____, who has confirmed that fact by initialing in the space provided here:
(INSERT NAME OF PURCHASER)
Purchaser(s) Initials _____

RIGHT OF RESCISSION

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

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

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

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

Policy Statement 5 provides that if a developer has obtained approval in principle to construct or otherwise create the development units from the appropriate municipal or other government authority, the Superintendent of Real Estate will permit a developer to begin marketing prior to obtaining a building permit on complying with the following terms and conditions:

- 1) The estimated date, as disclosed in the disclosure statement, for the issuance of a building permit, is 9 months or less from the date the developer filed the disclosure statement with the superintendent;**
- 2) The developer markets the proposed development units under the disclosure statement for a period of no more than 9 months from the date the disclosure statement was filed with the superintendent, unless an amendment to the disclosure statement that sets out particulars of the issued building permit is filed with the superintendent during that period;**
- 3) Any purchase agreement used by the developer, with respect to any development unit offered for sale or lease before the purchaser's receipt of an amendment to the disclosure statement that sets out particulars of the issued building permit, contains the following provisions:**
 - a) The purchaser may cancel the purchase agreement for a period of seven days after receipt of an amendment to the disclosure statement that sets**

out the particulars of the issued building permit if the layout or size of the applicable development unit, the construction of a major common facility, including a recreational centre or clubhouse, or the general layout of the development, is materially changed by the issuance of the building permit;

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

Policy Statement 6 provides that if the developer has not obtained a satisfactory financing commitment, the developer may market the development units but only on complying with the following terms and conditions:

- 1) The estimated date for obtaining a satisfactory financing commitment, as disclosed in the disclosure statement, is 9 months or less from the date the developer filed the disclosure statement with the superintendent;
- 2) The developer markets the proposed development units under the disclosure statement for a period of no more than 9 months from the date the disclosure statement was filed with the superintendent, unless an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is filed with the superintendent during that period. The developer must also either:
 - a) prior to the expiry of the 9 month period, file with the superintendent an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment; or

- a) prior to the expiry of the 9 month period, file with the superintendent an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment; or
- b) upon the expiry of the 9 month period, immediately cease marketing the development and confirm in a written undertaking to the superintendent that all marketing of the development has ceased and will not resume until after the necessary amendment has been filed, failing which a cease marketing or other order may be issued by the superintendent to the developer without further notice.

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

- 3) Any purchase agreement used by the developer, with respect to any development unit offered for sale or lease before the purchaser's receipt of an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment, contains the following terms:
 - a) If an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is not received by the purchaser within 12 months after the initial disclosure statement was file, the purchaser may at his or her option cancel the purchase agreement at any time after the end of that 12 month period until the required amendment is received by the purchaser;
 - b) The amount of the deposit to be paid by a purchaser who has not yet received an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is no more than 10% of the purchase price; and
 - c) All deposits paid by a purchaser, including interest earned if applicable, will be returned promptly to the purchaser upon notice of cancellation from the purchaser.

TABLE OF CONTENTS

RIGHT OF RESCISSION	2
1. THE DEVELOPER.....	7
1.1 Jurisdiction of Incorporation, Date and Incorporation Number.....	7
1.2 Purpose of Incorporation.....	7
1.3 Registered Office and Records Office Addresses	7
1.4 Directors & Officers of the Company	7
1.5 Background of Developer, Directors, Officer and Principal Holders.....	7
1.6 Conflicts of Interest.....	8
2. THE DEVELOPMENT	8
2.1 General Description of the Development	8
2.2 Permitted Uses	9
Zoning	9
2.3 Phasing	9
3. STRATA INFORMATION	10
3.1 Unit Entitlement	10
3.2 Voting Rights.....	10
3.3 Common Property and Facilities	10
3.3.1 Ownership	10
3.3.2 Costs.....	11
3.3.3 Use of Common Property	11
3.3.4 Common Property	11
3.3.5 Common Facilities	11
3.4 Limited Common Property	11
3.5 Bylaws.....	12
3.6 Parking	13
3.7 Furnishing and Equipment.....	13
3.8 Budget.....	13
3.8.1 Operating and Reserve Costs	13
3.9 Utilities and Services	14
3.10 Strata Management Contracts	14
3.11 Insurance	14
3.11.1 Construction	14
3.11.2 Strata Corporation	14
3.11.3 Use of Insurance Proceeds	15
3.12 Rental Disclosure Statement.....	15
4.0 Title and Legal Matters.....	15
4.1 Legal Description.....	15
4.2 Registered Owner.....	15
4.3 Existing Encumbrances and Legal Notations	15
Legal Notations.....	15
Existing Encumbrances.....	15
4.4 Proposed Encumbrances	16
4.5 Outstanding or Contingent Litigation or Liabilities.....	17
4.6 Environmental Matters.....	17

5.0 Availability and Warranties	17
5.1 Construction Dates.....	17
5.2 Warranties	17
5.2.1 Home Warranty Program.....	17
5.3 Previously Occupied Building	18
6. Approvals and Finances.....	18
6.1 Development Approval	18
6.2 Construction Financing.....	18
7.0 Miscellaneous	18
7.2 Deposits.....	18
7.2 Purchase Agreement	19
7.3 Developer's Commitments	20
7.4 Contracts	20
Deemed Reliance.....	20
SOLICITOR'S CERTIFICATE.....	22

LIST OF EXHIBITS

- Exhibit "A" - Draft Strata Plans for the Development
- Exhibit "B" - Draft Form P Phased Strata Plan Declaration
- Exhibit "C" - Schedule of Unit Entitlement
- Exhibit "D" - Draft Form W Schedule of Voting Rights
- Exhibit "E" - Strata Budget
- Exhibit "F" - Degree of Interior Finish
- Exhibit "G" - Form of Developer's Purchase Agreement
- Exhibit "H" - Covenant CA2008776
- Exhibit "I" - Zoning Extract

1. **THE DEVELOPER**

1.1 **Jurisdiction of Incorporation, Date and Incorporation Number**

Relentless Holding Company Inc. was incorporated under the laws of the Province of British Columbia on June 23, 2011 under incorporation number BC0913829 (the "Company").

1.2 **Purpose of Incorporation**

The corporation was incorporated specifically for the purpose of developing the strata lots. The Developer has no assets other than the Development property itself.

1.3 **Registered Office and Records Office Addresses**

Registered Office of the Company: 111 Wallace Street, PO Box 667,
Nanaimo, BC V9R 5L9

Records Office of the Company: 111 Wallace Street, PO Box 667,
Nanaimo, BC V9R 5L9

1.4 **Directors & Officers of the Company**

Name: Leanne Campbell
President & Director, Psychologist
6257 Caprice Place, Nanaimo, BC V9V 1N5

David Fairweather
Secretary & Director, Psychologist
7515 Clark Crescent, Lantzville, BC V0R 2H0

1.5 **Background of Developer, Directors, Officer and Principal Holders**

1.5.1 The directors of Relentless Holding Company Inc. are Leanne Campbell, Ph.D. and David Fairweather, Ph.D. Both are Registered Psychologists. Relentless Holding Company Inc., Dr. Campbell and Dr. Fairweather do not have previous experience developing real property.

1.5.2 None of the Developer, Leanne Campbell, David Fairweather, or any principal holder of the Developer, have within the ten years before the date of the Developer's declaration attached to this disclosure statement, been subject to any penalties or sanctions imposed by a court or regulatory authority relating to the sale, lease, promotion or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages or land, or to theft or fraud.

1.5.3 None of the Developer, Leanne Campbell, David Fairweather, or any principal holder of the Developer, have within the five years before the date of the Developer's declaration

attached to this disclosure statement, been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

1.5.4 None of the Developer, Leanne Campbell, David Fairweather, or any principal holder of the Developer, have within the five years prior to the date of the Developer's declaration attached to this disclosure statement, been a director, officer or principal holder of any other developer that, while that person was acting in that capacity, that other developer:

- (a) was subject to any penalties or sanctions imposed by a court or regulatory authority relating to the sale, lease, promotion or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages or land, or to theft or fraud, and describe any penalties or sanctions imposed, or
- (b) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

1.6 **Conflicts of Interest**

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

2. **THE DEVELOPMENT**

2.1 **General Description of the Development**

The Development is to consist of:

- (a) Two wood frame two-story buildings containing commercial offices on the ground floor and on the second floor. Building A (to be in Phase 1 as shown on the plan attached hereto as Exhibit "A") will contain six commercial units. Building B (to be in Phase 2 as shown on the plan attached hereto as Exhibit "A") will contain seven commercial units; and
- (b) One five-story building (to be Building C in Phase 3 as shown on the plan attached hereto as Exhibit "A") containing a total of ten commercial offices on the first three floors and a total of eight residential units on the fourth and fifth

floor. This building will be of metal and concrete construction on the first floor and wood frame construction on the second through fifth floors.

- (c) The residential strata lots are sometimes herein called the “Suites” and the commercial strata lots are sometimes herein called the “Commercial Lots”.
- (d) The Commercial Lots will be delivered to purchasers as “shell” office space and the finish of the interior of the Commercial Lots will be the responsibility of the purchaser.

Exhibit “A” – Draft Strata Plans for the Development

2.2 Permitted Uses

Zoning

The zoning applicable for the development is Comprehensive Development District Zone Six (CD6) having the following permitted uses:

Artist Studio	Library
Commercial School	Multiple Family Dwellings
Day Care Facility	Office
Deli/Specialty Food Store	Office Medical/Dental
Dry Cleaners	Personal Service Use
Financial Institution	Retail Store
Furniture and Appliance Sales	Social Service Resource Centre
Laundromat	Veterinary Clinic

Strata lots may be used for the commercial purposes described above.

An extract of the City of Nanaimo Zoning Bylaw relating to the CD6 Zone is attached as Exhibit “I”.

2.3 Phasing

There are a total of thirty one Strata Lots to be developed in three phases by phased Strata Plan to be approved by the Approving Officer of the City of Nanaimo. The Phasing Plan has not yet been approved by the Approving Officer, but the Developer expects the Approving Officer to sign the Phasing Plan in due course. A copy of the draft Form “P” Phased Strata Plan Declaration is attached as Exhibit “B”. There are to be six Commercial Lots in Phase 1, seven Commercial Lots in Phase 2, and ten Commercial Lots and eight Suites in Phase 3. The Developer is entitled to elect not to proceed with subsequent phases. The Developer is currently marketing only Phases 1 and 2 of the Development.

Exhibit “B” – Form “P” Phased Strata Plan Declaration

3. **STRATA INFORMATION**

3.1 **Unit Entitlement**

The Unit Entitlement of each Strata Lot is a figure indicating its share in the Common Property and assets of the Strata Corporation and is used to determine each Strata Lot owner's contribution to common expenses. The Unit Entitlement of each of the Suites will be based upon habitable area in square metres, and the Unit Entitlement of the Commercial Lots will be based on the total area, in square metres, of each such Strata Lot, rounded to the nearest whole number. The Schedule of Unit Entitlement for the Commercial Lots in Phases 1 and 2 will be set out on the Strata Plan and conform substantially to the draft Form "V" Schedule of Unit Entitlement. The requirements for the Form "V" Schedule of Unit Entitlement will be as set out in the *Strata Property Act* (British Columbia) and the form required for that schedule. Accordingly, the Schedule of Unit Entitlement will be filed in the Land Title Office in Form "V" under the *Strata Property Act* concurrently with the deposit of the Strata Plan.

Exhibit "C" - Form "V" Schedule of Unit Entitlement

3.2 **Voting Rights**

The Developer intends that each residential Suite will have a number of votes equal to that of each of the other Suites and, on a pro-rated basis based on the unit entitlement of Suites and the Commercial Lots. Each Commercial Lot will have a number of votes calculated on the basis of unit entitlement. The voting rights of the Suites will require the approval of the Superintendent of Real Estate prior to the filing of the Phase 3 strata plan.

For the first two phases of the Development the Schedule of Voting Rights for the Strata Corporation will be as set out in the pro forma Form "W" attached as Exhibit "D". This Form W deals only with Phases 1 and 2 and accordingly, the Schedule of Voting Rights for each phase will be filed in the Land Title Office in Form "W" under the *Strata Property Act* concurrently with the deposit of the Strata Plan for that phase.

Exhibit "D" – Form "W" Schedule of Voting Rights

3.3 **Common Property and Facilities**

3.3.1 **Ownership**

Each of the owners of the Strata Lots will also be entitled to a share proportionate to its Unit Entitlement of the Common Property and the common facilities and other assets of the Strata Corporation which the owners of the Strata Lots will own as tenants in common.

3.3.2 **Costs**

Each Strata Lot Owner will contribute to the cost of maintaining the Common Property on the basis of the Unit Entitlement for his or her Strata Lot proportioned accordingly. The estimated initial maintenance costs are included in the Strata Budget.

3.3.3 **Use of Common Property**

The Common Property (other than Limited Common Property) will be available for the use, without discrimination, by all of the following persons:

- (a) All owners of Strata Lots located within the development, their guests, and invitees.

3.3.4 **Common Property**

Common property consists of land shown on the strata plan that does not comprise part of a strata lot and, without restricting the generality of the foregoing, includes the following: walkways, gardens, exterior of the building including roof, internal roadways, mechanical and electrical rooms and surface parking facilities.

3.3.5 **Common Facilities**

There are no common facilities.

3.4 **Limited Common Property**

The Developer has designated areas shown on the Preliminary Plans as Limited Common Property for the appurtenant Strata Lots. Limited Common Property will be indicated on the Strata Plans deposited for registration in the Land Title Office. A designation of Limited Common Property on the Strata Plans may only be removed by unanimous resolution of the members of the Strata Corporation.

Limited Common Property is an area within the Common Property that is designated for the exclusive use of the owners of one or more Strata Lots. Owners of Strata Lots will be responsible for maintaining and the repairing of Limited Common Property which they use except the following which the Strata Corporation must maintain and repair:

- (a) the structure and exterior of the building;
- (b) chimneys, stairs, balconies and other items attached to the exterior of a building;
- (c) doors, windows or skylights on the exterior of a building or that front on the Common Property; and
- (d) fences, railings and similar structures that enclose patios, balconies and yards.

Common expenses of the Strata Corporation that relate only to repairing and maintaining Limited Common Property are allocated only to those Strata Lots entitled to use that Limited Common Property, and shared among such Strata Lots on the basis of their relative Unit Entitlement. Without limiting the foregoing:

- (a) the elevators servicing the second floors of the commercial buildings in Phases 1 and 2 will, respectively, be limited common property to the second floor strata lots in the building serviced by the elevator and the elevator lobby and related hallways on the second floor of the buildings in Phases 1 and 2 will also be limited common property to the second floor strata lots in the respective buildings;
- (b) the common property comprising the lobby, elevator, hallways, and stairwells in the building in Phase 3 will, except where limited common property to a specific strata lot or lots in Phase 3, be limited common property to all strata lots in Phase 3; and
- (c) each residential strata lot in Phase 3 will have one surface parking stall designated as limited common property.

3.5 **Bylaws**

The Bylaws of the Strata Corporation will be the standard bylaws attached to the *Strata Property Act*, modified only:

- (a) to prohibit household pets with the exception of a maximum of one cat and one dog permitted in Suites;
- (b) to replace Section 30 of the Standard bylaws relating to show suites with the following:

“30. During the time that the Owner Developer of the Strata Corporation is the first owner of any units, it shall have the right to maintain any unit or units whether owned or leased by it as a display unit and carry on all sales functions it considers necessary in order to enable it to sell the units or to sell other condominium units developed by the Owner Developer or a company or companies affiliated with the Owner Developer.”
- (c) to prohibit recreational vehicles, boats and trailers within the strata plan;
- (d) to prohibit satellite dishes within the strata plan;
- (e) to require that window coverings have an exterior appearance consistent throughout the strata plan.

3.6 **Parking**

There will be a common parking lot for the phases of the Development as shown in Exhibit "A" which, subject to possible subsequent amendments made to the strata bylaws by the owners, will be Common Property and available for use by all owners of Strata Lots, their guests and invitees save and except one parking space per Suite which will be limited common property to that Suite.

3.7 **Furnishing and Equipment**

The following equipment will be included in the purchase price of each Suite:

- one refrigerator;
- one range;
- one dishwasher;
- one clothes washer;
- one clothes dryer;
- one hot water tank; and
- one gas fireplace.

No equipment will be included in the purchase price of the Commercial Lots. Further the Commercial Lots will be "shell" office space and the interior finish of the Commercial Lots will be the responsibility of the purchasers at their sole expense. Attached as Exhibit "F" is a description of the level and degree of finish that will be provided to each Commercial Lot by the Developer.

Exhibit "F" – Degree of Interior Finish

3.8 **Budget**

The estimated interim strata budget is attached as Exhibit "E". The budget itemizes the utilities and services for which the strata corporation shall be responsible. Purchasers will be responsible for gas and hydro utilized in their own units together with all other utilities such as telephone and cable.

3.8.1 **Operating and Reserve Costs**

The expenses payable by each Strata Lot Owner will be determined by an annual budgeting process as follows:

The Strata Budget, which is attached as Exhibit "E" to this Disclosure Statement, sets out the estimated operating expenses for the first 12 months of the Strata Corporation following the deposit of the Strata Plan, based on current cost estimates. Exhibit "E" also sets out the estimated Strata Assessments for each Strata Lot based on the Unit Entitlement of each Strata Lot. The Strata Budget provides for an annual contingency reserve fund contribution of 10% of the estimated annual operating expenses as set out therein.

The *Strata Property Act* provides that at each annual general meeting, the Strata Corporation will approve a new budget for the following 12 month period. The Strata Assessments for each such period will be calculated based on the applicable approved budget and the Unit Entitlement for each Strata Lot.

Exhibit "E" - Strata Budget

3.9 Utilities and Services

Not applicable.

3.10 Strata Management Contracts

The Developer intends to enter into a strata management contract with Concise Strata Management Services Inc. The strata manager is not related to the Developer.

3.11 Insurance

3.11.1 Construction

The Developer will place course of construction insurance and wraparound liability insurance in respect of the Lands, as determined by the Developer.

3.11.2 Strata Corporation

The Strata Corporation shall carry:

- (a) Insurance for the Common Property, common assets, buildings shown on the Strata Plan and fixtures built or installed on the Strata Lots by the Developer as part of the original contract (including floor and wall coverings and electrical and plumbing fixtures) to their full replacement value against fire, lightning, smoke, windstorm, hail, explosion, water escape, strikes, riots or civil commotion, impact by aircraft and vehicles, vandalism and malicious acts; and
- (b) Not less than \$2,000,000.00 general liability insurance in respect of the development.

The estimated cost of the premiums is included in the Strata Budget and estimated based upon the current years charges.

3.11.3 **Use of Insurance Proceeds:**

The proceeds of the Strata Corporation's insurance are to be used by the Strata Corporation to rebuild the Development in the event of destruction. In the event there is insufficient insurance proceeds to rebuild or if the Strata Corporation otherwise elects not to rebuild, then the Strata Corporation will distribute such proceeds to all Strata Lot Owners according to their interests in accordance with the *Strata Property Act*.

3.12 **Rental Disclosure Statement**

The Developer intends to reserve the right to rent any or all of the unsold Strata Lots. The Developer intends to file a Rental Disclosure Statement under the *Strata Property Act* before marketing any Suites.

4.0 **Title and Legal Matters**

4.1 **Legal Description**

The legal description of the lands upon which the Strata Lots are to be constructed is:

PID 028-710-967

Lot B, District Lot 28, Wellington District, Plan EPP14697

(the "Property")

4.2 **Registered Owner**

The registered owner of the Property is Relentless Holding Company Inc.

4.3 **Existing Encumbrances and Legal Notations**

Legal Notations:

- (a) Annexed Easement CA2243541 over part of Lot A Plan EPP14697 shown as Easement Area on Plan EPP14699. This easement is registered in favour of the Property over a portion of a neighbouring property, Lot A, PID 028-710-959 and provides for an easement for driveway and access purposes. It is a reciprocal easement which also provides for a similar easement over the Property in favour of the neighbouring property.
- (b) Notice FB456053 notifying of Development Permit for the Property.

Existing Encumbrances:

- (c) Exceptions and Reservations M76300 in favour of Esquimalt and Nanaimo Railway Company. This encumbrance provides for exceptions and reservations in favour of the Esquimalt and Nanaimo Railway Company principally dealing with the mineral rights and rights pertaining to the operation of its railway.

- (d) Statutory Right of Way ET669 in favour of City of Nanaimo. This provides for a right of way for storm sewer and other drainage works.
- (e) Covenant CA2008776 in favour of City of Nanaimo. This covenant provides for a portion of the Property to be dedicated as a public roadway at a future date and provides for certain payments to be made to the City of Nanaimo prior to the development of the Property. An indemnity in favour of the City of Nanaimo is included. A copy of the covenant is attached as Exhibit "H".
- (f) Statutory Right of Way FB438893 in favour of British Columbia Hydro and Power Authority. This provides for a right of way for electrical lines and equipment for the electrical services.
- (g) Statutory Right of Way FB438894 in favour of Telus Communications Inc. This provides for a right of way for communication lines and equipment for communication services.
- (h) Easement CA2243542. This easement has been described in paragraph 4.3(a) above.
- (i) Covenant CA2243543 in favour of City of Nanaimo. This covenant provides that Easement CA224351 and CA2243542 may only be modified or cancelled with the agreement of the City of Nanaimo.
- (j) Mortgage CA2315639 and Assignment of Rents CA2315640 in favour of Business Development Bank of Canada.

4.4 **Proposed Encumbrances**

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

- One or more mortgages and/or assignment of rents securing construction financing for the Development. Said encumbrance will include partial discharge provisions to permit the encumbrances to be discharged from title to individual strata lots as and upon payment of a specified amount or amount determined by a specified formula when such strata lots are sold to individual purchasers. Existing Mortgage CA2315639 and Assignment of Rents CA2315640 will either be discharged from title or modified to similarly provide for their partial discharge on the sale of individual strata lots.
- Easement in favour of the portion of the Development Property not within the Phase 1 strata plan for services and access over Phase 1 common property;
- Easement in favour of the portion of the Development Property not within the Phase 2 strata plan for services and access over Phase 2 common property;

- Any and all such rights of way, easements, restrictive covenants, dedications and other rights or restrictions, required by British Columbia Hydro and Power Authority, British Columbia Telephone Company, the City of Nanaimo or any other applicable governmental authority or public utility or deemed necessary or advisable by the Developer in connection with the Development.

4.5 **Outstanding or Contingent Litigation or Liabilities**

The Developer is not aware of any outstanding or contingent litigation or liabilities in respect of the Development Property or against the Developer that may affect the strata corporation or strata lot owner.

4.6 **Environmental Matters**

The Developer is unaware of any dangers or requirements in respect to flooding or drainage hazards, the condition of soil or subsoil or other environmental matters affecting the Development Property.

5.0 **Availability and Warranties**

5.1 **Construction Dates**

Phase 1 will be commenced by August 2, 2013, and completed by March 1, 2014. Phase 2 will be commenced by February 1, 2014 and completed by November 1, 2014. The construction of Phase 3 is expected to be commenced and completed as shown on the Form P attached as Exhibit "B".

5.2 **Warranties**

5.2.1 **Home Warranty Program**

The Developer will obtain home warranty insurance coverage for the Suites, which will include a minimum of 2 years on labour and materials, 5 years on the building envelope, including water penetration, and 10 years on structure.

The 2-year labour and materials coverage is broken down as follows:

- (a) Any defect in materials and labour:
 - (i) 12 months on non-common property in strata units;
 - (ii) 15 months on common property of strata buildings.
- (b) Defects in materials and labour related to the delivery and distribution systems (electrical, plumbing, heating, ventilation, air conditioning, etc.):
 - (i) 24 months for all buildings.

Coverage will be through an insurer to be determined prior to the commencement of marketing of Phase 3.

There are no warranties offered by the Developer in respect of the Commercial Lots.

5.3 **Previously Occupied Building**

Not applicable.

6. **Approvals and Finances**

6.1 **Development Approval**

The City of Nanaimo approved a Development Permit for the project on May 7, 2012, under No. DP000767.

The Developer anticipates that the City of Nanaimo will issue a building permit for the project on or before August 2, 2013.

The Developer anticipates that the City of Nanaimo will issue a Building Permit for Phase 2 of the Development on or before February 1, 2014.

6.2 **Construction Financing**

The Developer has not yet arranged financing for the construction of Phases 1 and 2 of the Development. The Developer anticipates that such construction financing will be obtained no later than August 1, 2013 for Phase 1 and no later than February 1, 2014 for Phase 2.

7.0 **Miscellaneous**

7.1 **Deposits**

All deposits and other money received from purchasers shall be held in trust by the Developer's lawyer or the Developer's realtor in the manner required by the *Real Estate Development Marketing Act* until such time as:

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

7.2 **Purchase Agreement**

- (a) The form of the Developer's formal agreement of purchase and sale (the "purchase agreement"), is attached as Exhibit "G".

Exhibit "G" Form of Developer's Purchase Agreement

- (b) Purchasers of Units may terminate the purchase agreement in the circumstances described in Policy Statement 5, namely:
 - (i) The purchaser may cancel the purchase agreement for a period of seven days after receipt of an amendment to the disclosure statement that sets out particulars of the issued building permit if the layout or size of the applicable development unit, the construction of a major common facility, including a recreation centre of clubhouse, or the general layout of the development, is materially changed by the issuance of the building permit; and
 - (ii) If an amendment to the disclosure statement that sets out particulars of an issued building permit is not received by the purchaser within 12 months after the initial disclosure statement was filed, the purchaser may at his or her option cancel the purchase agreement at any time after the end of that 12 month period until the required amendment is received by the purchaser, at which time the purchaser may cancel the purchase agreement for a period of seven days after receipt of that amendment only if the layout or size of the applicable development unit, the construction of a major common facility, including a recreation centre or clubhouse, or the general layout of the development, is materially changed by the issuance of a building permit.
- (c) Purchasers may terminate the purchase agreement in the circumstances described in the Superintendent of Real Estate's Policy Statement 6, namely:
 - (i) If an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is not received by the purchaser within 12 months after the initial disclosure statement was filed, the purchaser may at his or her option cancel the purchase agreement at any time after the end of that 12 month period until the required amendment is received by the purchaser;
 - (ii) The amount of the deposit to be paid by a purchaser who has not yet received an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is no more than 10% of the purchase price; and

- (iii) All deposits paid by a purchaser, including interest earned if applicable, will be returned promptly to the purchaser upon notice of cancellation from the purchaser.
- (d) The purchase agreement will terminate if the sale has not completed by the "Outside Completion Date" described in the purchase agreement and the purchaser and the Developer have not agreed to extend that date. Neither the purchaser nor the Developer are required to extend the Outside Completion Date.
- (e) The purchase agreement also provides at paragraphs 2 and 11 that if the Buyer does not pay the deposit or the purchase price when required the Developer may terminate the purchase agreement.
- (f) The Developer may not seek a fee or increased purchase price in exchange for agreeing to extend the Outside Completion Date. If the Developer is delayed from completing the construction of the Development as a result of any event or circumstance whatsoever beyond the reasonable control of the Developer, then the Outside Completion Date will be extended for a period equivalent to such period of delay. The Developer may charge a fee for agreeing to an extension of the time for performance of the Buyer's obligations. The Developer is under no obligation to provide such an extension and may choose not to do so.
- (g) The purchaser requires the approval of the Developer prior to assigning its interest in the purchase agreement. That approval shall not be unreasonably withheld by the Developer. The Developer will not be entitled to seek a fee in order to approve an assignment.
- (h) The deposit will be held in a trust account by the Developer's solicitors.

7.3 **Developer's Commitments**

Upon completion of the sale, the Developer makes no further commitments other than those set forth in the Disclosure Statement.

7.4 **Contracts**

The Developer anticipates that the Strata Corporation will enter into contracts with third parties for the provision of services such landscaping, parking lot and exterior building maintenance, elevator servicing, and similar services required in connection with the maintenance of the Common Property.

Deemed Reliance

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

compensate the purchaser for any misrepresentation, subject to any defences available under Section 22 of the Act.

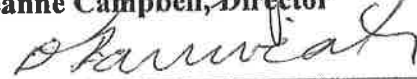
Declaration

The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act of British Columbia*, as of MAY 31, 2013.

RELENTLESS HOLDING COMPANY INC.
by its authorized signatories:

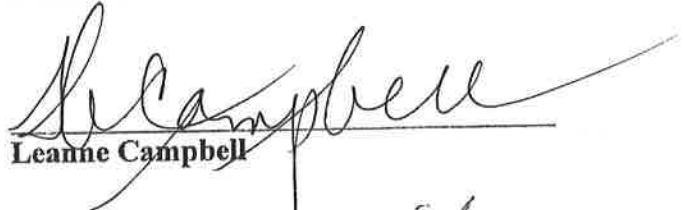


Leanne Campbell, Director



David Fairweather, Director

DIRECTORS:



Leanne Campbell



David Fairweather



Witness: Darren Kiedyk



Witness: Sue Gorton

SOLICITOR'S CERTIFICATE

DOMINION OF CANADA,
PROVINCE OF BRITISH
COLUMBIA

In the Matter of the *Real Estate Act* (British
Columbia) and the Disclosure Statement of
Relentless Holding Company Inc. for property
legally described as:

PID 028-710-967

Lot B, District Lot 28, Wellington District, Plan
EPP14697

TO WIT:

I, **Richard N. Rhodes**, Solicitor, a member of the Law Society of British Columbia,
HEREBY CERTIFY that I have read over the above-described Disclosure Statement dated
May 31, 2013, and have reviewed same with the Developer therein named, and have
conducted a search of the appropriate public records, and that the facts contained in items 4.1,
4.2 and 4.3 of the Disclosure Statement are correct.

DATED at Nanaimo, British Columbia, this 31 day of May, 2013.



Richard N. Rhodes

EXHIBIT "A"

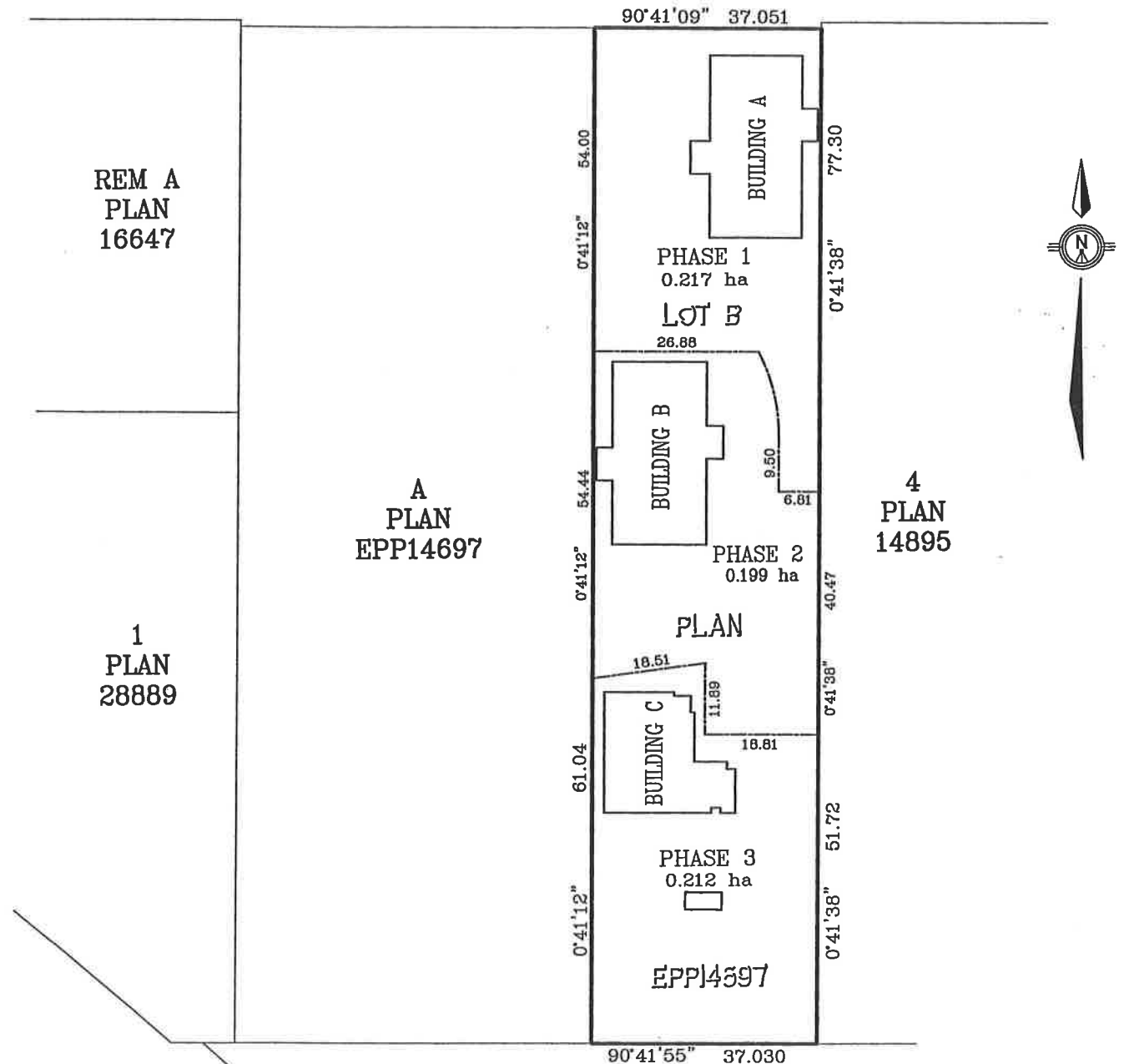
PRO-FORMA STRATA PLAN OF:
LOT B, DISTRICT LOT 28, WELLINGTON
DISTRICT, PLAN EPP14697
B.C.G.S. 92 F.030

PRO-FORMA STRATA PLAN
Sheet 1 of 10 Sheets

LEGEND

Bearings are astronomic derived from Plan EPP14697
ha - denotes - Hectares

PORTSMOUTH ROAD



May 8, 2013.

BRUCE LEWIS
LAND SURVEYING INC.
811 HIGHRIDGE COURT
COMOX B.C. V9M 3R4

FILE: 1438-PF1

SCALE = 1 : 1000



All distances are in metres and decimals thereof unless otherwise stated

MAIN FLOOR-PHASE 1 BUILDING A

SCALE = 1 : 250

PRO-FORMA STRATA PLAN
Sheet 2 of 10 Sheets



All distances are in metres and decimals thereof unless otherwise stated

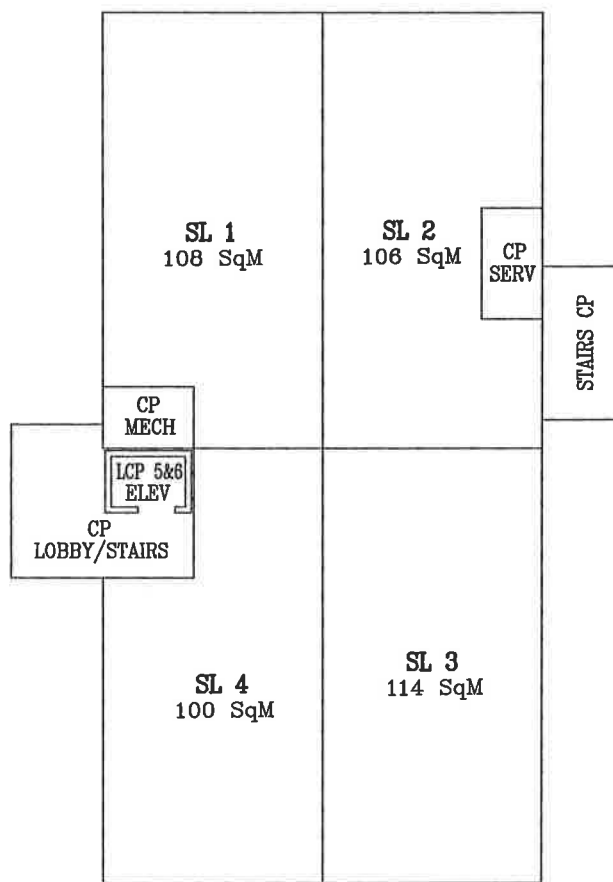
LEGEND

- CP - DENOTES - COMMON PROPERTY
- ELEV - DENOTES - ELEVATOR
- LCP - DENOTES - LIMITED CP FOR THE EXCLUSIVE USE OF SL ##
- MECH - DENOTES - MECHANICAL ROOM
- SERV - DENOTES - SERVICE ROOM
- SL - DENOTES - STRATA LOT
- SqM - DENOTES - SQUARE METRES

PORTSMOUTH ROAD

A PLAN EPP14697

EASEMENT CA2243542
PLAN EPP14698



4 PLAN 14895

COMMON PROPERTY
DRIVEWAY/PARKING/LANDSCAPING

MAY 8, 2013.

BRUCE LEWIS
LAND SURVEYING INC.
811 HIGHRIDGE COURT
COMOX B.C. V9M 3R4
FILE: 1438-PF1



UPPER FLOOR—PHASE 1 BUILDING A

SCALE = 1 : 250

PRO-FORMA STRATA PLAN
Sheet 3 of 10 Sheets



All distances are in metres and decimals thereof unless otherwise stated

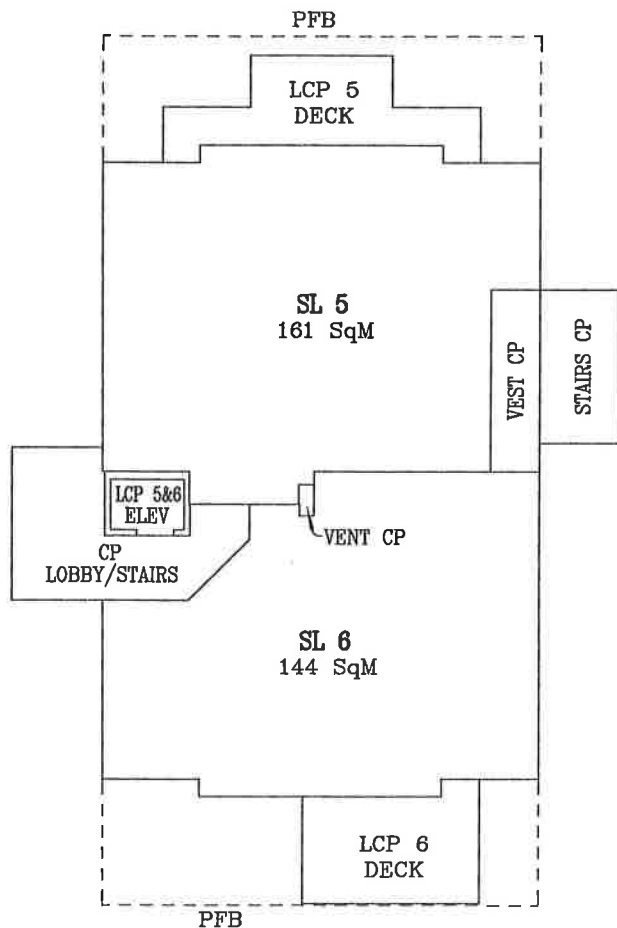
LEGEND

- CP - DENOTES - COMMON PROPERTY
- ELEV - DENOTES - ELEVATOR
- LCP - DENOTES - LIMITED CP FOR THE EXCLUSIVE
USE OF SL ##
- PFB - DENOTES - PERIMETER OF FLOOR BELOW
- SL - DENOTES - STRATA LOT
- SqM - DENOTES - SQUARE METRES
- VEST - DENOTES - VESTIBULE

PORTSMOUTH ROAD

A PLAN EPP14697

EASEMENT CA2243542
PLAN EPP14698



4 PLAN 14895

MAY 8, 2013.

BRUCE LEWIS
LAND SURVEYING INC.
811 HIGHRIDGE COURT
COMOX B.C. V9M 3R4
FILE: 1438-PF1



MAIN FLOOR—PHASE 2 BUILDING B

SCALE = 1 : 250

PRO-FORMA STRATA PLAN
Sheet 4 of 10 Sheets

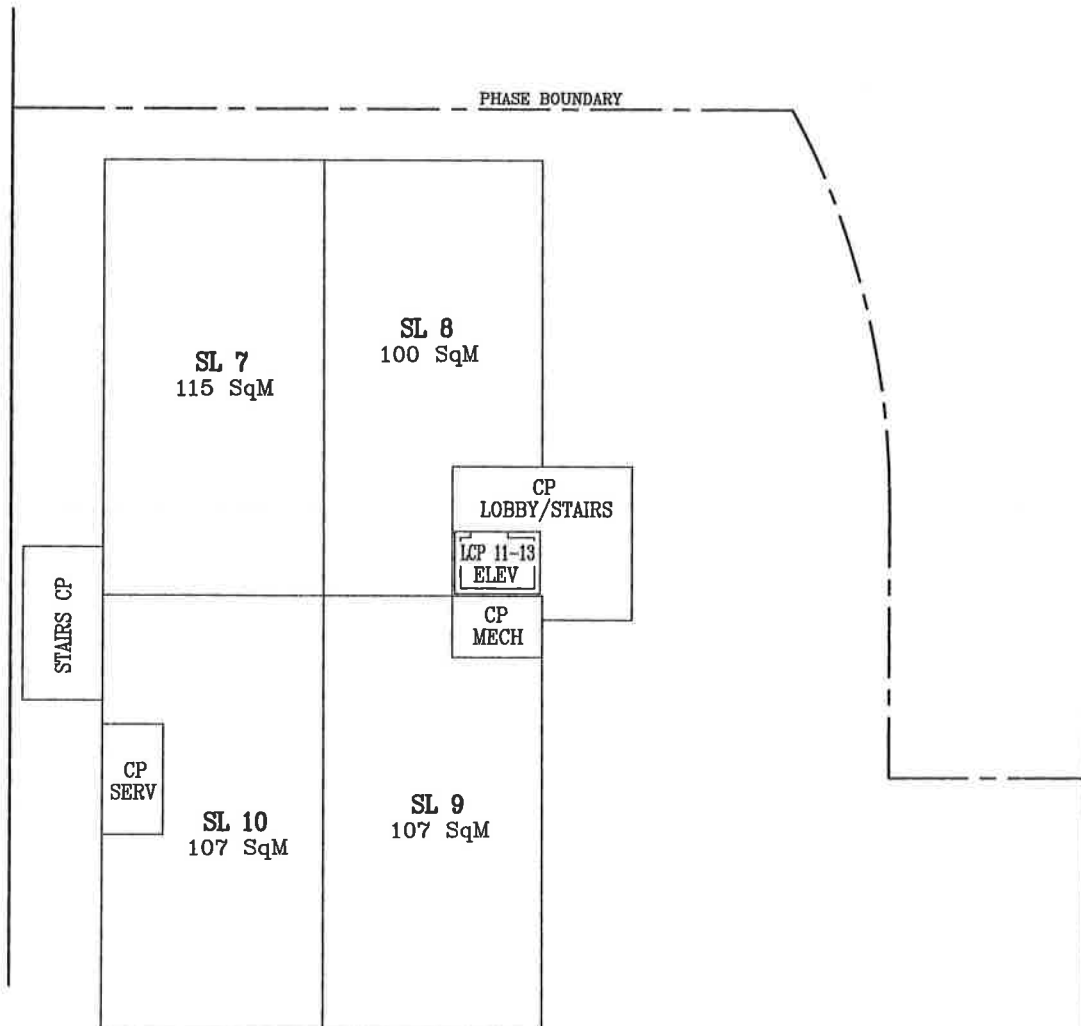


All distances are in metres and decimals thereof unless otherwise stated

LEGEND

- CP - DENOTES - COMMON PROPERTY
- ELEV - DENOTES - ELEVATOR
- LCP - DENOTES - LIMITED CP FOR THE EXCLUSIVE
USE OF SL ##
- MECH - DENOTES - MECHANICAL ROOM
- SERV - DENOTES - SERVICE ROOM
- SL - DENOTES - STRATA LOT
- SqM - DENOTES - SQUARE METRES

A PLAN EPP14697



4 PLAN 14895

MAY 8, 2013.

BRUCE LEWIS
LAND SURVEYING INC.
811 HIGHRIDGE COURT
COMOX B.C. V9M 3R4
FILE: 1438-PF1

COMMON PROPERTY
DRIVEWAY/PARKING/LANDSCAPING



UPPER FLOOR-PHASE 2 BUILDING B

SCALE = 1 : 250

PRO-FORMA STRATA PLAN
Sheet 5 of 10 Sheets

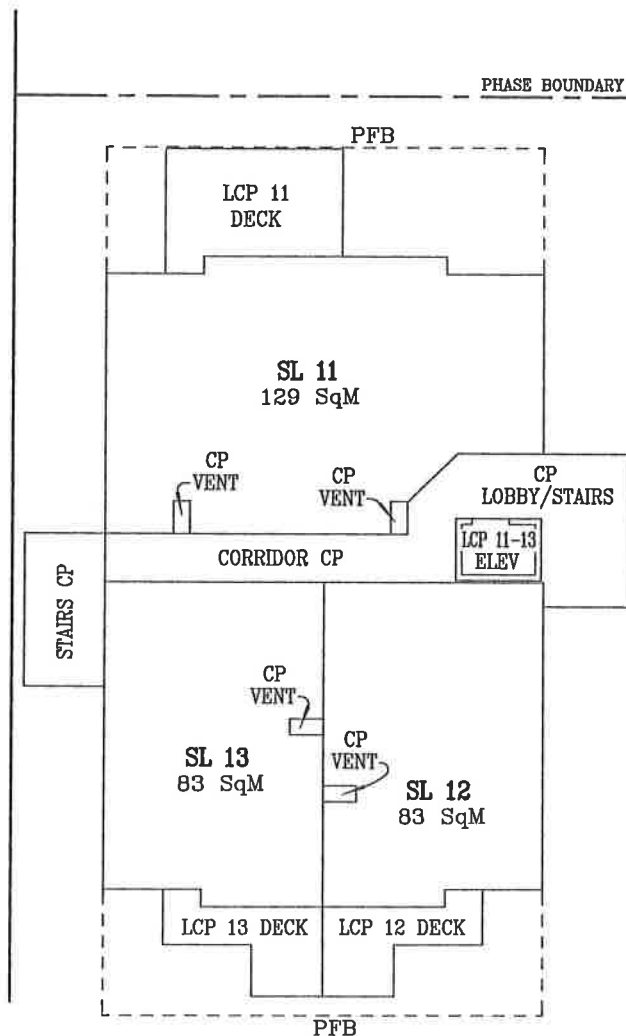


All distances are in metres and decimals thereof unless otherwise stated

LEGEND

- CP - DENOTES - COMMON PROPERTY
- ELEV - DENOTES - ELEVATOR
- LCP - DENOTES - LIMITED CP FOR THE EXCLUSIVE
USE OF SL ##
- PFB - DENOTES - PERIMETER OF FLOOR BELOW
- SL - DENOTES - STRATA LOT
- SqM - DENOTES - SQUARE METRES

A PLAN EPP14697



4 PLAN 14895

MAY 8, 2013.

BRUCE LEWIS
LAND SURVEYING INC.
811 HIGHRIDGE COURT
COMOX B.C. V9M 3R4
FILE: 1438-PF1



MAIN FLOOR-PHASE 3 BUILDING C

SCALE = 1 : 250

PRO-FORMA STRATA PLAN
Sheet 6 of 10 Sheets

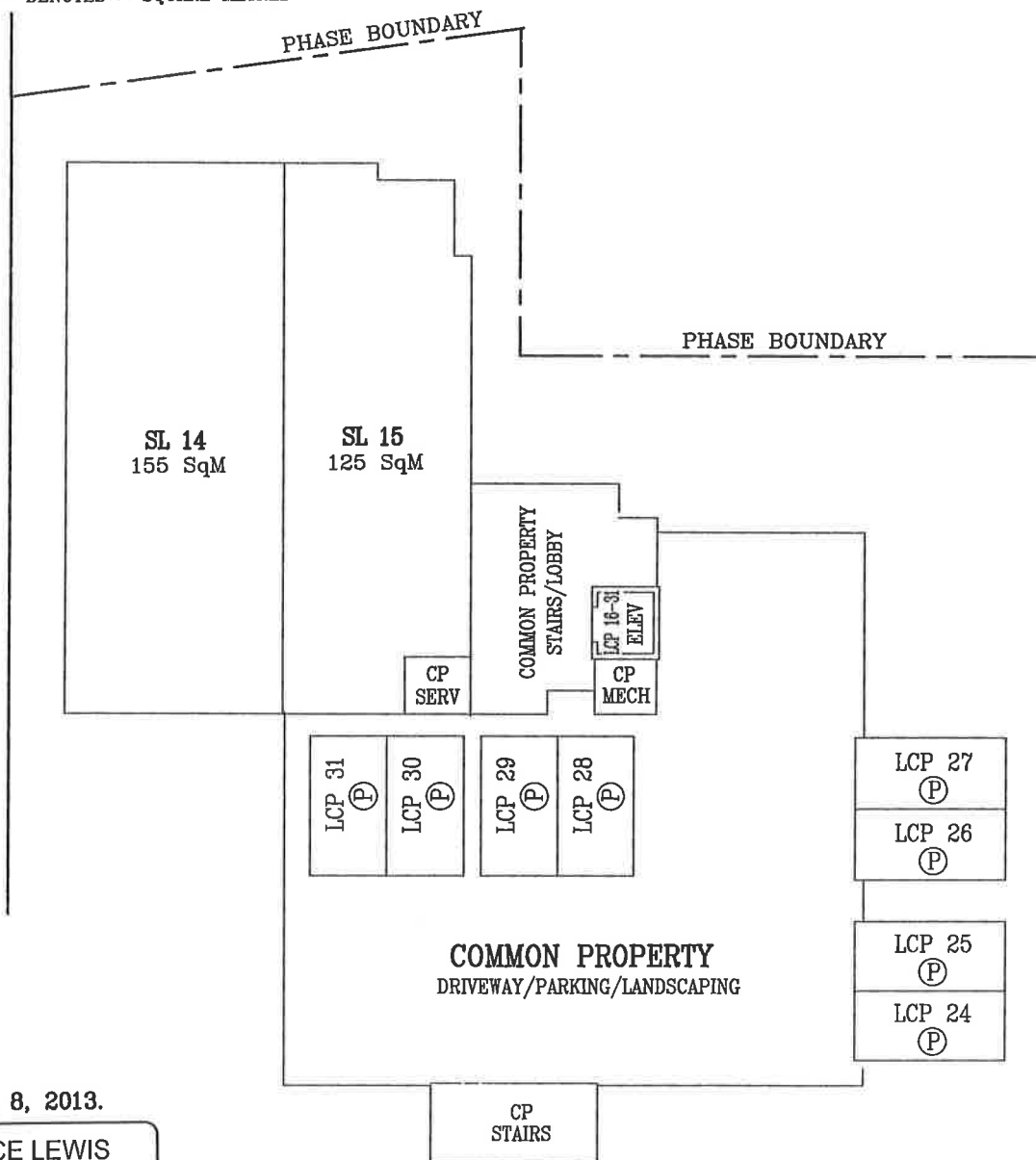


All distances are in metres and decimals thereof unless otherwise stated

LEGEND

- CP - DENOTES - COMMON PROPERTY
- ELEV - DENOTES - ELEVATOR
- LCP - DENOTES - LIMITED CP FOR THE EXCLUSIVE USE OF SL ##
- MECH - DENOTES - MECHANICAL ROOM
- Ⓟ - DENOTES - PARKING
- SERV - DENOTES - SERVICE ROOM
- SL - DENOTES - STRATA LOT
- SqM - DENOTES - SQUARE METRES

A PLAN EPP14697



4 PLAN 14895



MAY 8, 2013.

BRUCE LEWIS
LAND SURVEYING INC.
811 HIGHRIDGE COURT
COMOX B.C. V9M 3R4

FILE: 1438-PF1

COMMON PROPERTY
DRIVEWAY/PARKING/LANDSCAPING

2nd FLOOR-PHASE 3 BUILDING C

SCALE = 1 : 250

PRO-FORMA STRATA PLAN
Sheet 7 of 10 Sheets

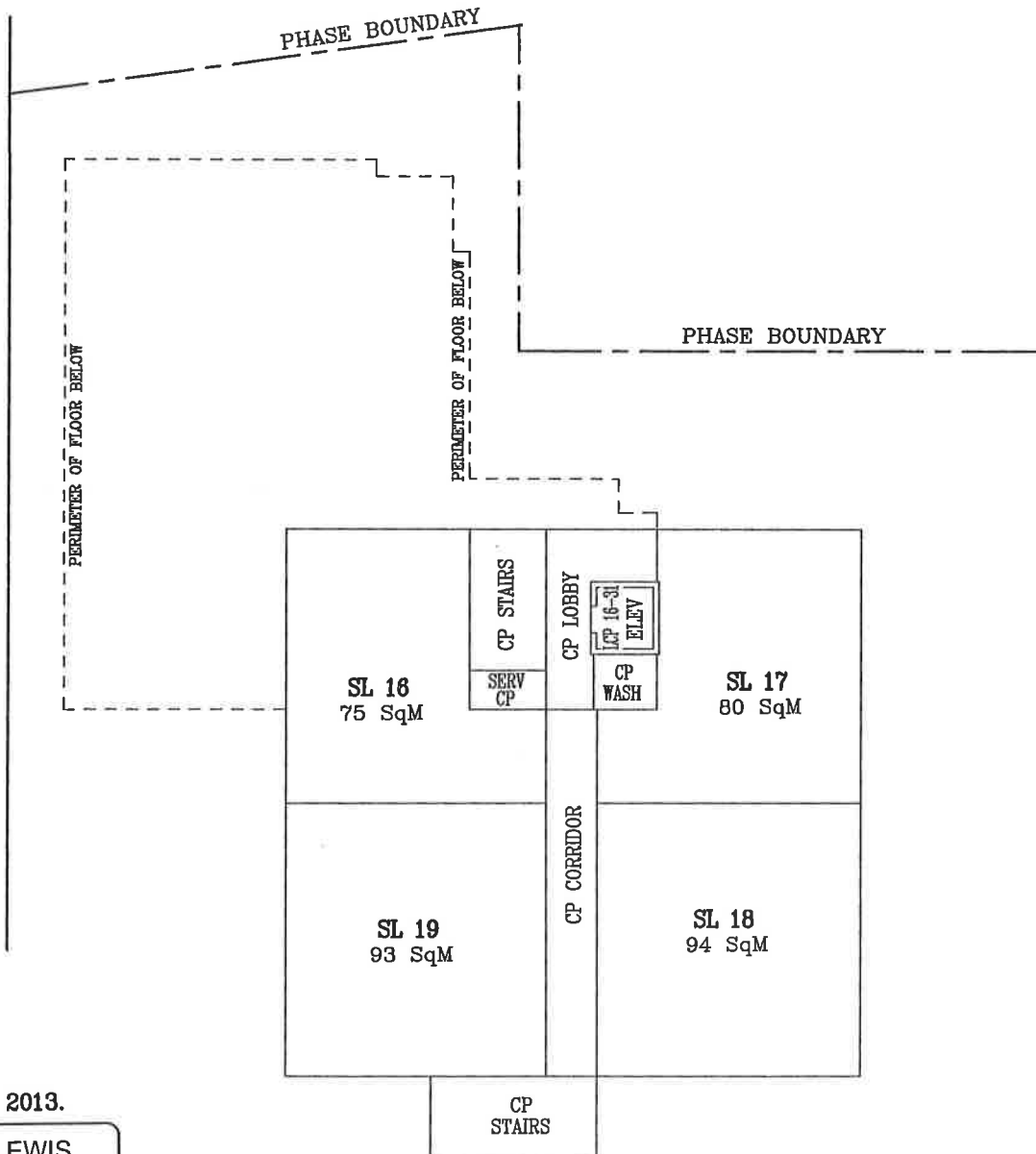


All distances are in metres and decimals thereof unless otherwise stated

LEGEND

- CP - DENOTES - COMMON PROPERTY
- ELEV - DENOTES - ELEVATOR
- LCP - DENOTES - LIMITED CP FOR THE EXCLUSIVE USE OF SL ##
- SERV - DENOTES - SERVICE ROOM
- SL - DENOTES - STRATA LOT
- WASH - DENOTES - WASHROOM

A PLAN EPP14697



4 PLAN 14895



MAY 8, 2013.

BRUCE LEWIS
LAND SURVEYING INC.
811 HIGHRISE COURT
COMOX B.C. V9M 3R4

FILE: 1438-PF1

3rd FLOOR-PHASE 3 BUILDING C

SCALE = 1 : 250

PRO-FORMA STRATA PLAN
Sheet 8 of 10 Sheets



All distances are in metres and decimals thereof unless otherwise stated

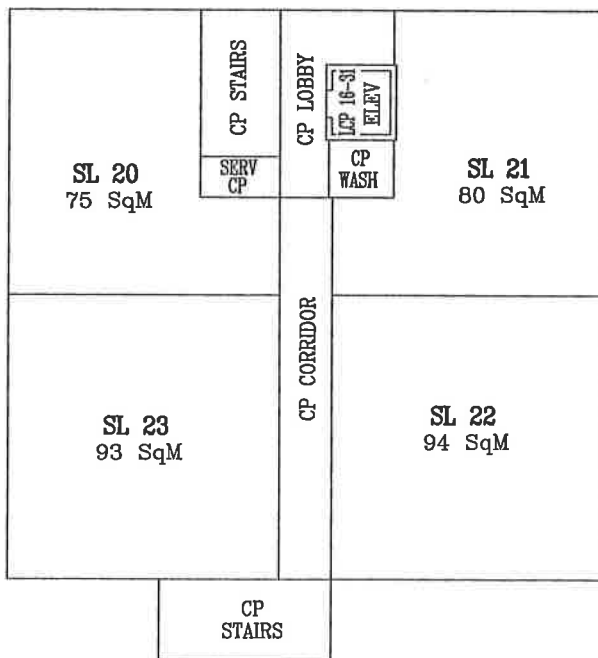
LEGEND

- CP - DENOTES - COMMON PROPERTY
- ELEV - DENOTES - ELEVATOR
- LCP - DENOTES - LIMITED CP FOR THE EXCLUSIVE
USE OF SL ##
- SERV - DENOTES - SERVICE ROOM
- SL - DENOTES - STRATA LOT
- WASH - DENOTES - WASHROOM

A PLAN EPP14697

PHASE BOUNDARY

PHASE BOUNDARY



4 PLAN 14895



MAY 8, 2013.

BRUCE LEWIS
LAND SURVEYING INC.
811 HIGHRIDGE COURT
COMOX B.C. V9M 3R4
FILE: 1438-PF1

4th FLOOR-PHASE 3 BUILDING C

SCALE = 1 : 250

PRO-FORMA STRATA PLAN
Sheet 9 of 10 Sheets



All distances are in metres and decimals thereof unless otherwise stated

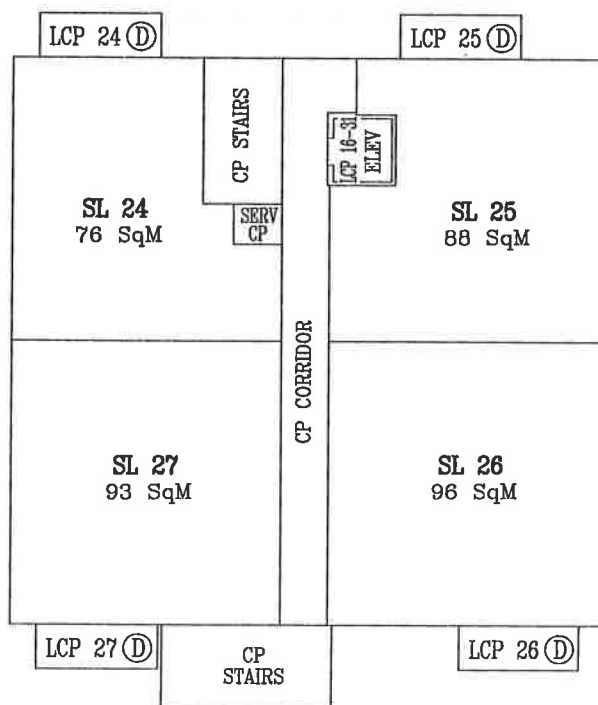
LEGEND

- CP - DENOTES - COMMON PROPERTY
- Ⓛ - DENOTES - DECK
- ELEV - DENOTES - ELEVATOR
- LCP - DENOTES - LIMITED CP FOR THE EXCLUSIVE
USE OF SL ##
- SERV - DENOTES - SERVICE ROOM
- SL - DENOTES - STRATA LOT

A PLAN EPP14697

PHASE BOUNDARY

PHASE BOUNDARY



4 PLAN 14895



MAY 8, 2013.

BRUCE LEWIS
LAND SURVEYING INC.
811 HIGHRIDGE COURT
COMOX B.C. V9M 3R4

FILE: 1438-PF1

5th FLOOR-PHASE 3 BUILDING C

SCALE = 1 : 250

PRO-FORMA STRATA PLAN
Sheet 10 of 10 Sheets



All distances are in metres and decimals thereof unless otherwise stated

LEGEND

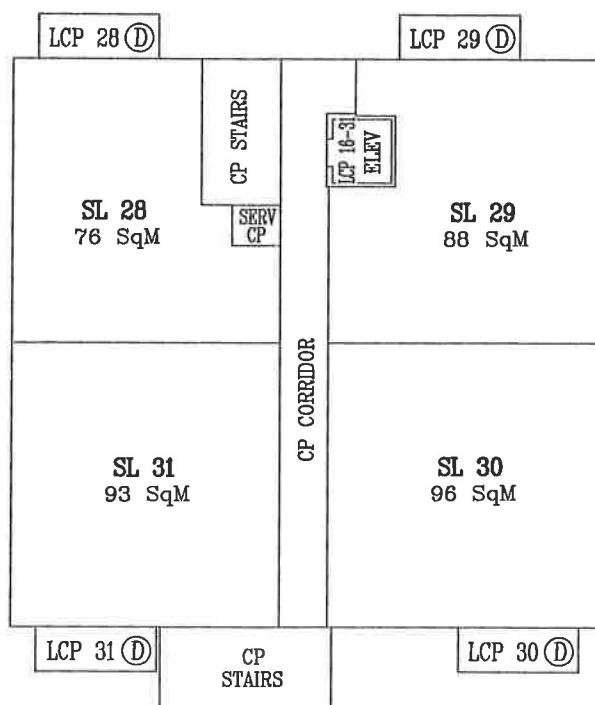
- CP - DENOTES - COMMON PROPERTY
- Ⓛ - DENOTES - DECK
- ELEV - DENOTES - ELEVATOR
- LCP - DENOTES - LIMITED CP FOR THE EXCLUSIVE
USE OF SL ##
- SERV - DENOTES - SERVICE ROOM
- SL - DENOTES - STRATA LOT

A PLAN EPP14697

4 PLAN 14895

PHASE BOUNDARY

PHASE BOUNDARY



MAY 8, 2013.

BRUCE LEWIS
LAND SURVEYING INC.
811 HIGHRIDGE COURT
COMOX B.C. V9M 3R4

FILE: 1438-PF1



EXHIBIT "B"

Strata Property Act

FORM P

PHASED STRATA PLAN DECLARATION

(Sections 221, 222)

We, Relentless Holding Company Inc., of Nanaimo, British Columbia declare:

1. That we intend to create a strata plan by way of phased development of the following lands which we own:

PID: 028-710-967, Lot B, District Lot 28, Wellington District, Plan EPP14697

2. That the plan of development is as follows:

- (a) the development will consist of the following common facilities:

Phase	Common Facilities
Phase 1	None
Phase 2	None
Phase 3	None

- (b) attached hereto as Schedule A is a sketch plan indicating the following :

- (i) all the land to be included in the phased strata plan;
 - (ii) the present parcel boundaries;
 - (iii) the approximate boundaries of each phase; and
 - (iv) the approximate location of the common facilities.

- (c) The estimated dates for the beginning of construction and completion of construction is as follows:

Phase	Estimated Commencement Date	Estimated Completion Date
Phase 1	August 2, 2013	March 1, 2014
Phase 2	February 1, 2014	November 1, 2014
Phase 3	May 1, 2015	December 31, 2015

- (d) the unit entitlement of each phase and the total unit entitlement of the completed development is as follows:

Phase	Number of Strata Lots	Unit Entitlement
Phase 1	6	733
Phase 2	7	724
Phase 3	18	1670
Total	31	3,127

- (e) the maximum number of units and general type of residence or other structure to be built in each phase is as follows:

Phase	Maximum Number of Units	Type of Residence
Phase 1	6	Commercial Office
Phase 2	7	Commercial Office
Phase 3	10	Commercial Office
Phase 3	8	Residential Condominium

3. We will elect to proceed (or we have already elected to proceed) with each phase on or by the following dates:

Phase	Date
Phase 1	July 2, 2013
Phase 2	December 31, 2014
Phase 3	June 30, 2016

RELENTLESS HOLDING COMPANY INC.

Per: _____
Authorized Signatory

Date of approval: _____, 2013*.

Signature of Approving Officer

City of Nanaimo

*Section 222(2) of the Act provides that approval expires after one year unless the first phase is deposited before that time.

(NOTE: ATTACH FORM P PHASING PLAN)

SCHEDULE "A"

SKETCH PLAN TO ACCOMPANY FORM "P"
(PHASED STRATA PLAN DECLARATION)
FOR LOT B, DISTRICT LOT 28, WELLINGTON
DISTRICT, PLAN EPP14697.

B.C.G.S. 92F.030

Civic Address:
PORTSMOUTH
PROFESSIONAL CENTRE
6543 PORTSMOUTH ROAD
NANAIMO, BC V8V 1A3

PORTSMOUTH ROAD



REM A
PLAN
16647

A
PLAN
EPP14697

1
PLAN
28889

4
PLAN
14895

PORTSMOUTH UNIT ENTITLEMENT

PHASE 1 -	733
PHASE 2 -	724
PHASE 3 -	1670
TOTAL -	3127

NOTE: UNIT ENTITLEMENTS
ARE BASED ON PROPOSED
HABITABLE AREA.

PHASE 1
0.217 ha
LOT B

PHASE 2
0.199 ha
PLAN

PHASE 3
0.212 ha

EPP14697

A PLAN VIP55187

SCALE = 1 : 1000



All distances are in metres and decimals thereof unless otherwise stated

LEGEND

----- DENOTES - PHASE BOUNDARY
SL DENOTES - STRATA LOT

BRUCE LEWIS
LAND SURVEYING INC.
811 HIGHRIDGE COURT
COMOX B.C. V9M 3R4
phone: (250) 890-0334

FILE: 1438-PF1

MAY 8, 2013

EXHIBIT "C"

Strata Property Act

Form V
SCHEDULE OF UNIT ENTITLEMENT
(Sections 245 (a), 246, 264)

Re: Strata Plan **EPS1455** (Phases 1 & 2 of a 3 phase strata plan)

being a strata plan of

PID: 028-710-967

**LOT B, DISTRICT LOT 28, WELLINGTON
DISTRICT, PLAN EPP14697.**

STRATA PLAN CONSISTING ENTIRELY OF NONRESIDENTIAL STRATA LOTS

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

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

Certificate of British Columbia Land Surveyor

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

Date: [month day, year].

.....
Signature

OR

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

OR

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

.....
Signature of Superintendent of Real Estate

Strata Lot No.	Sheet No.	Total Area in m ²	Unit Entitlement	% * of Total Unit Entitlement**
1	2	108	108	
2	2	106	106	
3	2	114	114	
4	2	100	100	
5	3	161	161	
6	3	144	144	
7	4	115	115	
8	4	100	100	
9	4	107	107	
10	4	107	107	
11	5	129	129	
12	5	83	83	
13	5	83	83	
Total number of lots: 13		Total unit entitlement: 1457		

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

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

Date: _____ [Month day, year].

Signature of Owner Developer

EXHIBIT "D"

Strata Property Act
Form W
SCHEDULE OF VOTING RIGHTS
Sections 245 (b), 247, 248, 264).

Re: Strata Plan EPS1455, being phase 1 and 2 of a 3 phase strata plan of

028-710-967 LOT B DISTRICT LOT 28 WELLINGTON DISTRICT
PLAN EPP14846

The strata plan is composed of 13 nonresidential strata lots, and 0 residential strata lots.

The number of votes per strata lot is one of the following as set out in the following table.

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

OR

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

OR

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

.....
Signature of Superintendent of Real Estate

Strata Lot No.	Type of Strata Lot (Residential or Nonresidential)	Sheet No.	Number of Votes
1	Nonresidential	2	108/1457
2	Nonresidential	2	106/1457
3	Nonresidential	2	114/1457
4	Nonresidential	2	100/1457
5	Nonresidential	3	161/1457
6	Nonresidential	3	144/1457
7	Nonresidential	4	115/1457
8	Nonresidential	4	100/1457
9	Nonresidential	4	107/1457
10	Nonresidential	4	107/1457
11	Nonresidential	5	129/1457
12	Nonresidential	5	83/1457
13	Nonresidential	5	83/1457
Total number of Strata lots: 13			Total Number of Votes: 1.00

Date:

.....[month day, year]

.....
Signature of Owner Developer

EXHIBIT "E"**Strata Budget**

	Phase I	Phase II
<u>Estimated Income</u>		
Strata Fees	28,850.00	28,850.00
<u>Estimated Operating Expenses</u>		
Accounting & Legal	300.00	300.00
Bank Fees	300.00	300.00
Garbage Removal	1,200.00	1,200.00
General Repairs and Maintenance	2,000.00	2,000.00
Water & Sewage Fees	1,500.00	1,500.00
Landscaping and irrigation	4,200.00	4,200.00
Electricity	1,200.00	1,200.00
Cleaning/Janitorial	900.00	900.00
Insurance	3,700.00	3,700.00
Strata Management Fees	3,000.00	3,000.00
Snow removal & Road maintenance	1,000.00	1,000.00
Fire Inspection/Alarm Monitoring	2,000.00	2,000.00
Signage Maintenance	1,200.00	1,200.00
Misc.	1,000.00	1,000.00
Total Expenses	23,500.00	23,500.00
Contingency Fund (10% of strata fees)	2,350.00	2,350.00
Subtotal	25,850.00	25,850.00
Elevator Maintenance (not applicable to ground floor)	3,000.00	3,000.00
Total	28,850.00	28,850.00

EXHIBIT "F"

DEGREE OF INTERIOR FINISH

Foundations

Steel reinforced poured concrete footings, column footings, and perimeter bearing walls.

Floor Structure

Grade level to be steel reinforced, poured concrete slab over polyethylene vapour barrier and compacted granular base. Upper floors are concrete topping over plywood sub-floor over wood joists, insulated to cavity, with fire rated gypsum board to underside.

Floor Cover

Smooth trowelled concrete slab flooring on Main and Upper floors.

Ceilings

Painted gypsum board to ceiling underside; sprinkler system and HVAC duct work exposed.

Interior Construction

Demising walls and interior structural walls within the buildings are painted gypsum board cover over wood stud frame; insulated to cavity. The proposed strata-titled units are to be finished to basic "shell" standard (painted drywall shell with provision of power to panel and roof mounted HVAC unit). Each unit is to be finished with two 2-piece bathrooms (Main and Upper floor).

Plumbing

Each unit is to be finished with two 2-piece washrooms. A full fire suppression sprinkler system is to be installed.

Heating

Roof-mounted HVAC system installed to each unit.

Electrical

600 amp main electrical service to each building. Individual strata units will each have a 100 amp service panel. Light fixtures to be installed by purchasers.

Exterior Walls

The exterior cladding is to be a mix of hardi-plank and concrete, with brick, acrylic stucco, metal and timber accents with sweeping rooflines. All finishes to be attached to approved rainscreen sub-strate. Glazed storefront in metal frame, thermal pane, low E windows.

Roof

Flat and part sloping roof structure of built-up torch-on membrane cover over rigid insulation on plywood deck on wood joists. Standard venting, flashing, gutters, downspouts, and soffits.

CONTRACT OF PURCHASE AND SALE

PREPARED BY: _____ DATE: _____
 (BROKERAGE - PLEASE PRINT)
 ADDRESS: _____ PC: _____ PHONE: _____
 PER: _____ M.L.S.® NO. _____

SELLER: RELENTLESS HOLDING COMPANY INC.**SELLER:** _____

ADDRESS: 202-6010 BRICKYARD RD.

NANAIMO, B.C.

PC: V9V 1S5

PHONE: _____

RESIDENT OF CANADA ☒ NON-RESIDENT OF CANADA ☐as defined under the *Income Tax Act*.**BUYER:** _____**BUYER:** _____

ADDRESS: _____

PC: _____

PHONE: _____

OCCUPATION: _____

PROPERTY:

Address: Unit ____ - 6543 Portsmouth Road Municipality: Nanaimo PC: V9V 1A3

Legal Description: Proposed Strata Lot ____ to be developed on Lot B, District Lot 28, Wellington District, Plan EPP14697 (the Property)

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

1. **PURCHASE PRICE:** The purchase price of the Property will be _____
 DOLLARS \$

excluding any applicable Goods and Services Tax which will be the responsibility of the Buyer (Purchase Price)

2. **DEPOSIT:** A deposit of \$ _____ which will form part of the Purchase Price, will be paid on the following terms:

All monies paid pursuant to this section (Deposit) will be delivered in trust to the Seller's Solicitors, Ramsay Lampman Rhodes, and held in trust in accordance with the provisions of the *Real Estate Development Marketing Act*. In the event the Buyer fails to pay the Deposit as required by this Contract the Seller may, at the Seller's option, terminate this Contract.

The party who receives the Deposit is authorized to pay all or any portion of the Deposit to the Buyer's or Seller's conveyancer (the "Conveyancer") without further written direction of the Buyer or Seller, provided that: (a) the Conveyancer is a Lawyer or Notary; (b) such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and (c) if the sale does not complete, the money should be returned to such party as stakeholder or paid into Court.

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

See Attached Addendum – Schedule A

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

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INITIALS

4. **COMPLETION:** The sale will be completed on or before _____
provided however that if the Seller gives the Buyer written notice that the Property will not be ready to be occupied by that date then the sale will be completed on the date determined in accordance with Paragraph 8 of the Schedule A hereto (Completion Date)
5. **POSSESSION:** The Buyer will have vacant possession of the Property at 12 noon one day after the Completion Date (Possession Date)
OR, subject to the following existing tenancies, if any: n/a
6. **ADJUSTMENTS:** The Buyer will assume and pay all taxes, rates, local improvement assessments, fuel, utilities, and other charges from, and including, the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of one day after the Completion Date (Adjustment Date)
7. **INCLUDED ITEMS:** The Purchase Price includes any buildings, improvements, fixtures, appurtenances and attachments thereto, and all blinds, awnings, screen doors and windows, curtain rods, tracks and valances, fixed mirrors, fixed carpeting, electric plumbing, heating and air conditioning fixtures and all appurtenances and attachments thereto as viewed by the Buyers at the date of inspection;
INCLUDING: _____
BUT EXCLUDING: _____
8. **TITLE:** Free and clear of all encumbrances except subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, and except as otherwise set out herein or in the Disclosure Statement filed with the Superintendent of Real Estate.
9. **TENDER:** Tender or payment of monies by the Buyer to the Seller will be by certified cheque, bank draft, cash or Lawyer's/Notary's trust cheque.
10. **DOCUMENTS:** The sale will be completed at the appropriate Land Title Office and all documents required to give effect to this Contract will be delivered in registrable form where necessary and will be lodged for registration in the appropriate Land Title Office by 4:00 p.m. on the Completion Date.
11. **TIME:** Time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreement to pay the balance as may be necessary is entered into on or before the Completion Date, the Seller may, at the Seller's option, terminate this Contract, and, in such event, the amount paid by the Buyer will be absolutely forfeited to the Seller in accordance with the *Real Estate Services Act*, on account of damages, without prejudice to the Seller's other remedies.
12. **BUYER FINANCING:** If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has: (a) made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration, and (c) made available to the Seller, a Lawyer's or Notary's undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds pursuant to the Canadian Bar Association (BC Branch) (Real Property Section) standard undertakings (the "CBA Standard Undertakings").

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INITIALS

13. **CLEARING TITLE:** If the Seller has existing financial charges to be cleared from title, the Seller, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Buyer may pay the Purchase Price to a Lawyer or Notary in trust, on the CBA (Real Property Section) standard undertakings to pay out and discharge the financial charges, and remit the balance, if any, to the Seller.
14. **COSTS:** The Buyer will bear all costs of the conveyance and, if applicable, any costs related to arranging a mortgage and the Seller will bear all costs of clearing title.
15. **RISK:** All buildings on the Property and all other items included in the purchase and sale will be, and remain, at the risk of the Seller until 12:01 a.m. on the Completion Date. After that time, the Property and all included items will be at the risk of the Buyer.
16. **PLURAL:** In this Contract, any reference to a party includes that party's heirs, executors, administrators, successors and assigns; singular includes plural and masculine includes feminine.
17. **REPRESENTATIONS & WARRANTIES:** There are no representations, warranties, guarantees, promises or agreements other than those set out in this Contract and the representations contained in the Property Disclosure Statement if incorporated into and forming part of the Contract, all of which will survive the completion of the sale.
18. **PERSONAL INFORMATION:** The Buyer and the Seller hereby consent to the collection, use and disclosure by the Brokerages and by the managing broker(s), associate broker(s) and representative(s) of those Brokerages (collectively the "Licensee(s)") described in Clause 20, the real estate boards of which those Brokerages and Licensees are members and, if the Property is listed on a Multiple Listing Service, the real estate board that operates that Multiple Listing Service, of personal information about the Buyer and the Seller:
- A. for all purposes consistent with the transaction contemplated herein;
 - B. if the Property is listed on a Multiple Listing Service, for the purpose of the compilation, retention and publication by the real estate board that operates the Multiple Listing Service and other real estate boards of any statistics including historical Multiple Listing Service data for use by persons authorized to use the Multiple Listing Service of that real estate board and other real estate boards;
 - C. for enforcing codes of professional conduct and ethics for members of real estate boards; and
 - D. for the purposes (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled *Working with a REALTOR*.
19. **AGENCY DISCLOSURE:** The Seller and Buyer acknowledge having received, read and understood the brochure published by the British Columbia Real Estate Association entitled "*Working With a Real Estate Agent*" and acknowledge and confirm as follows:
- (a) the Seller has an _____ and _____
Agency relationship with _____
BROKERAGE _____ LICENSEE _____
- (b) the Buyer has an _____ and _____
Agency relationship with _____
BROKERAGE _____ LICENSEE _____
- (c) the Buyer and the Seller have consented to a Limited Dual Agency relationship with _____
and _____
BROKERAGE _____ LICENSEE _____
- _____ having signed a Limited Dual Agency agreement dated _____
- If only (a) has been completed, the Buyer is acknowledging no agency relationship. If only (b) has been completed, the Seller is acknowledging no agency relationship.

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INITIALS

20. **ACCEPTANCE IRREVOCABLE (Buyer and Seller):** The Seller and the Buyer specifically confirm that this Contract of Purchase and Sale is executed under seal. It is agreed and understood that the Seller's acceptance is irrevocable, including without limitation, during the period prior to the date specified for the Buyer to either:
- A. fulfill or waive the terms and conditions herein contained, and/or
 - B. exercise any option(s) herein contained.

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

22. **OFFER:** This offer or counter-offer will be open for acceptance until _____ o'clock _____ m. on _____ and upon acceptance of the offer, by accepting in writing and notifying the other party of such acceptance, there will be a binding Contract of Purchase and Sale on the terms and conditions set forth.

X _____ (WITNESS)	_____ (BUYER)	• _____ SEAL (PRINT NAME)
X _____ (WITNESS)	_____ (BUYER)	• _____ SEAL (PRINT NAME)

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

Seller's acceptance is dated _____, yr. _____

X _____ (WITNESS)	_____ (SELLER)	• _____ SEAL Relentless Holding Company Inc. by its authorized signatory
X _____ (WITNESS)	_____ (SELLER)	• _____ SEAL (PRINT NAME)

INFORMATION ABOUT THE CONTRACT

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

1. **CONTRACT:** This document when signed by both parties is a legally binding contract. **READ IT CAREFULLY.** The parties should ensure that everything that is agreed to is in writing.
2. **DEPOSIT(S):** Section 59 of the *Real Estate Services Act* states that a real estate company holds deposits as a stakeholder. The money is held for the transaction and not on behalf of one of the parties. If a party does not remove a subject clause, the agent requires the signature of both the Buyer and the Seller in order to release the deposit. If both parties do not sign the deposit release, then the parties will have to apply to court for a determination of the deposit issue.
3. **COMPLETION:** (Clause 4) Unless the parties are prepared to actually meet at the Land Title Office and exchange title documents for the Purchase Price, it is, in every case, advisable for the completion of the sale to take place in the following sequence:
 - (a) The Buyer pays the Purchase Price or down payment in trust to his Lawyer or Notary (who should advise him of the exact amount required) several days before the Completion Date, and the Buyer signs the documents.
 - (b) The Buyer's Lawyer or Notary prepares the documents and forwards them for signature to the Seller's Lawyer or Notary who returns the documents to the Buyer's Lawyer or Notary.
 - (c) The Buyer's Lawyer or Notary then attends to the deposit of the signed title documents (and any mortgages) in the appropriate Land Title Office.
 - (d) The Buyer's Lawyer or Notary releases the sale proceeds at the Buyer's Lawyer's or Notary's office.

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

4. **POSSESSION:** (Clause 5) The Buyer should make arrangements through the Real Estate Agents for obtaining possession. The Seller will not let the Buyer move in before the Seller has actually received the sale proceeds.
5. **TITLE:** (Clause 9) It is up to the Buyer to satisfy himself on matters of zoning or building or use restrictions, toxic or environmental hazards, encroachments on or by the property and any encumbrances which are staying on title before becoming legally bound. If you are taking out a mortgage, make sure that title, zoning and building restrictions are all acceptable to your mortgage company. In certain circumstances, the mortgage company could refuse to advance funds. If you as the Seller are allowing the Buyer to assume your mortgage, you may still be responsible for payment of the mortgage, unless arrangements are made with your mortgage company.
6. **CUSTOMARY COSTS:** (Clause 15) In particular circumstances there may be additional costs, but the following costs are applicable in most circumstances:

Costs to be Borne by the Seller

Lawyer or Notary Fees and Expenses:

- attending to execution of documents.

Costs of clearing title, including:

- discharge fees charged by encumbrance holders,
- prepayment penalties.

Real Estate Commission.

Goods and Services Tax.

Costs to be Borne by the Buyer

Lawyer or Notary Fees and Expenses:

- searching title,
- investigating title,
- drafting documents,
- Land Title Registration fees.

Survey Certificate (if required).

Cost of Mortgage, including:

- mortgage company's Lawyer/Notary,
- appraisal (if applicable),
- Land Title Registration fees.

Fire Insurance Premium.

Sales Tax (if applicable).

Property Transfer Tax.

Goods and Services Tax.

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

ADDENDUM – SCHEDULE A

DATE: _____, 20____.

ATTACHED TO AND FORMING PART OF A CONTRACT OF PURCHASE AND SALE DATED THE
_____ DAY OF _____, 20____.

TO PURCHASE THE PROPERTY KNOWN AS Unit _____ - 6543 Portsmouth Road, Nanaimo, B.C.

LEGAL DESCRIPTION: PROPOSED STRATA LOT _____ TO BE DEVELOPED ON LOT B,
DISTRICT LOT 28, WELLINGTON DISTRICT, PLAN EPP14697

BETWEEN:

RELENTLESS HOLDING COMPANY INC.

as Seller

AND:

as Buyer

THE UNDERSIGNED HEREBY AGREE AS FOLLOWS:

1. GST. The purchase price does not include GST. The Buyer agrees to pay same on completion of the transfer.
2. Lien Holdback. That portion, if any, of the Purchase Price required by law to be held back by the Buyer in respect of potential builders' lien claims (the "Lien Holdback") will be paid to the Seller's solicitors on the Completion Date. The Lien Holdback will be held by the Seller's solicitors in trust pursuant to the *Strata Property Act* (British Columbia) or successor legislation and the *Builders Lien Act* (British Columbia), with interest for the benefit of the Seller, solely in respect of builders' lien claims registered in the Land Title Office in connection with work done at the behest of the Seller. The Seller's solicitors are authorized to pay to the Seller on the Holdback Release Date the Lien Holdback plus interest earned thereon less the amount representing builders' lien claims filed against the Property of which the Buyer or the Buyer's solicitor notify the Seller's solicitors in writing by 1:00 p.m. that day. The Buyer hereby authorizes the Seller and the Seller's solicitors to do all things necessary to discharge any builders' liens, including bringing court proceedings in the name of the Buyer, provided that any such proceedings will be solely at the expense of the Seller. The "Holdback Release Date" means the 56th day after the Completion Date or the 56th day after the issuance of an occupancy permit for the Property (whichever is earlier).
3. Deposits. All deposits are to be held in an interest bearing trust account until completion of this transaction or earlier termination of this Agreement, by the Developer's solicitors. Interest shall accrue for the benefit of the Buyer and shall be paid to the Buyer after the completion of this contract.
4. Assignment. The Buyer may not directly or indirectly assign the Buyer's interest in this Contract or direct the Seller to transfer title to the Purchased Interest to any third party without the prior written consent of the Seller; such consent may not be unreasonably withheld. Any permitted assignment will not release or discharge the Buyer from any of the Buyer's duties or obligations under this Contract even if this Contract is subsequently amended.
5. Receipt for Disclosure Statement. The Buyer acknowledges that the Buyer has received a copy of and has been given an opportunity to read the Disclosure Statement and any amendments to date and that this Contract constitutes a receipt in respect thereof. The Buyer has also had the

opportunity to ask questions of, and receive answer from the Developer concerning the Development, and to obtain such additional information necessary to verify the accuracy of the information contained in the Disclosure Statement in order for the Buyer to evaluate the merits and risks of the purchase of the Property.

6. Construction. The Buyer acknowledges that the Buyer is buying a strata lot to be constructed substantially in accordance with the Disclosure Statement and the plans and specifications prepared by Delinea Design Consultants Inc. (the "Designer"), subject to such modifications as may be determined by the Designer from time to time, changes required by the City of Nanaimo or other approving authority or as otherwise permitted herein or in the Disclosure Statement or accepted by the Designer upon certification of substantial completion of the Development, provided that the Seller may make minor modifications in features, design, layout, window area and window location as in the reasonable opinion of the Seller are necessary, desirable or reasonable and may use materials other than as prescribed in the plans and specifications if they are reasonably similar to that which is prescribed. The Property will contain the equipment and appliances, if any, described in the Disclosure Statement. If requested by the Buyer, the Buyer will be entitled to inspect the Property with a representative of the Seller at a reasonable time prior to the Completion Date determined by the Seller. At such time the parties will prepare and sign a conclusive list of any defects and deficiencies and the date following the Completion Date by which corrections are to occur. The Seller will promptly repair or remedy any such defects and deficiencies by the stated date for completion thereof in such list and the Buyer will not be entitled to hold back any portion of the Purchase Price in respect of such defects or deficiencies. In the event that no such list is prepared and signed, the Buyer will be deemed to have accepted the physical condition of the Property.
7. Dimensions. The Strata Lot is as shown on the Proposed Strata Plan attached to the Disclosure Statement given to the Buyer and the Buyer acknowledges that the area of the Strata Lot as shown thereon and the room measurements as shown in any advertised material are approximate only and may vary from the actual area as shown on the final Strata Plan.
8. Completion Date. The Buyer will pay the balance of the Purchase Price by certified cheque or solicitor/notary trust cheque on the Completion Date specified in paragraph 4 on page 2 of the Contract (the "Specified Date"). If the Seller gives the Buyer or the Buyer's Solicitor written notice that the Property will not be ready to be occupied by the Specified Date then the Completion Date shall be extended to the date identified by the Seller or the Seller's solicitors, by written notice to the Buyer or the Buyer's solicitors, as a date on which the Property will be ready to be occupied, provided that the Seller or its solicitors will give not less than 10 days' notice thereof. Whether the Property is ready to be occupied refers to the Property only and not to any other strata lot or the common property within the Development and the Property will be deemed to be ready to be occupied on the Completion Date if the applicable government authority has given oral or written permission to occupy the Property, whether such permission is conditional or unconditional. The notice of the Completion Date delivered to the Buyer or the Buyer's solicitors may be based on the Seller's estimate as to when the Property will be ready to be occupied, and if the Property is not ready to be occupied on the Completion Date so established, then the Seller may delay the Completion Date from time to time as required by the Seller until the Property is ready to be occupied, by notice of such delay to the Buyer or the Buyer's solicitors, provided that the Seller will give to the Buyer or the Buyer's solicitors not less than 7 days' notice of such extended Completion Date. If the Completion Date has not occurred by the Outside Completion Date this Contract will be terminated unless the parties agree in writing to the contrary. Unless the Seller is delayed in completing construction of the Development as a result of any event or circumstance whatsoever beyond the reasonable control of the Seller then the "Outside Completion Date" shall be June 30, 2014. If the Seller is delayed in completing construction of the Development as a result of any event or circumstance whatsoever beyond the reasonable control of the Seller, then in that case, the "Outside Completion Date" shall without the need for further agreement be extended from June 30, 2014 by the number of days the Seller was delayed in completing construction of the Development as a result of any event or circumstance of any nature whatsoever beyond the reasonable control of the Seller.

9. Amendment to Disclosure Statement.

- 9(1) (a) The Buyer may cancel this purchase agreement for a period of seven days after receipt of an amendment to the Disclosure Statement that sets out the particulars of the issued building permit if the layout or size of the applicable development unit, the construction of a major common facility, including a recreational centre or clubhouse, or the general layout of the Development is materially changed by the issuance of the building permit;
- (b) If an amendment to the Disclosure Statement that sets out particulars of an issued building permit is not received by the Buyer within 12 months after the initial Disclosure Statement was filed, the Buyer may at his or her option cancel this purchase agreement at any time after the end of that 12 month period until the required amendment is received by the Buyer, at which time the Buyer may cancel this purchase agreement for a period of seven days after receipt of that amendment only if the layout or size of the applicable development unit, the construction of a major common facility, including a recreation centre of clubhouse, or the general layout of the development is materially changed by the issuance of the building permit;
- (c) The amount of the deposit to be paid by a Buyer who has not yet received an amendment to the Disclosure Statement that sets out the particulars of an issued building permit is no more than 10% of the purchase price; and
- (d) All deposits paid by a Buyer, including interest earned if applicable, will be returned promptly to the Buyer upon notice of cancellation from the Buyer.

10. Construction Financing.

- (a) If an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is not received by the Buyer within 12 months after the initial disclosure statement was filed, the Buyer may at his or her option cancel the purchase agreement at any time after the end of that 12 month period until the required amendment is received by the Buyer;
- (b) The amount of the deposit to be paid by a Buyer who has not yet received an amendment to the disclosure statement that sets out particulars of a satisfactory financing commitment is no more than 10% of the purchase price; and
- (c) All deposits paid by the Buyer, including interest earned if applicable, will be returned promptly to the Buyer upon notice of cancellation from the Buyer.

11. Notices. Any notice to be given to the Buyer will be well and sufficiently given if deposited in any postal receptacle in Canada addressed to the Buyer and sent by airmail, postage prepaid or delivered by hand or transmitted by telecopy to the Buyer at the address set out above or to the Buyer's solicitors at their office and shall be deemed to have been received if 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.

12. For the information of the Buyer, the Seller's solicitor will be Ramsay Lampman Rhodes, Barristers & Solicitors, 111 Wallace Street, PO Box 667, Nanaimo, B.C., V9R 5L9, telephone: (250) 754-3321, fax: (250) 754-1148, attention: Richard N. Rhodes.

DATED at Nanaimo, British Columbia, this ____ day of _____, 20____.

Witness

Witness

Buyer

Buyer

Seller – **Relentless Holding Company Inc.** by
its authorized signatory

EXHIBIT "H"

REGISTERED VICA2008776 RCV0:2011-05-11 RQST:2011-11-08-09.00.59.781

FORM_C_V17 (Charge)

VICTORIA LAND TITLE OFFICE

LAND TITLE ACT
FORM C (Section 233) CHARGE
GENERAL INSTRUMENT - PART 1 Province of British Columbia

May-11-2011 15:32:49.001

CA2008776

PAGE 1 OF 9 PAGES

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

Michael John
Hargraves
LRN2WN

c=CA, cn=Michael John
Hargraves LRN2WN,
o=Lawyer, ou=Verify ID at
www.juricert.com/
LKUP.cfm?id=LRN2WN

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

STAPLES McDANNOLD STEWART

Barristers & Solicitors

2nd Floor, 837 Burdett Avenue

Victoria

BC V8W 1B3

Tel: (250) 380-7744

Fax: (250) 380-3008

File: 194 1195/MH/ca Client: RA 259

Document Fees: \$71.90

Deduct LTSA Fees? Yes ☒

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:

[PID]

[LEGAL DESCRIPTION]

025-142-607

LOT 1, DISTRICT LOT 28, WELLINGTON DISTRICT, PLAN VIP72820, EXCEPT
PART IN PLAN VIP730225

STC? YES ☐

3. NATURE OF INTEREST
Covenant

CHARGE NO.

ADDITIONAL INFORMATION

Entire Document

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

(a) ☐ Filled Standard Charge Terms D.F. No.

(b) ☒ Express Charge Terms Annexed as Part 2

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument.

5. TRANSFEROR(S):

FOURSQUARE GOSPEL CHURCH OF CANADA (INC. NO. S-21588)

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

CITY OF NANAIMO

455 WALLACE STREET

NANAIMO

V9R 5J6

BRITISH COLUMBIA

CANADA

7. ADDITIONAL OR MODIFIED TERMS:
N/A

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

Officer Signature(s)

KEVIN L. BOONSTRA
Barrister & Solicitor
300 - 3195 South Fraser Way
Abbotsford, BC V2T 5N7
(604) 864-8877

(as to all signatures)

Execution Date		
Y	M	D
11	05	03

Transferor(s) Signature(s)

FOURSQUARE GOSPEL CHURCH
OF CANADA by its authorized
signatory(ies):

Name: Rebecca Friesen

Name: Dan Howton

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

PAGE 2 OF 9 PAGES

Transferor / Borrower / Party Signature(s)

**Joan Harrison,
Manager, Legislative Services**

OFFICER CERTIFICATION:
Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument

Definitions

1. In this Agreement, unless otherwise defined words have the same meanings as in the Zoning Bylaw, and the following words have the following meanings:

"Agreement" means this Section 219 Covenant Agreement, including its recitals and schedules;

"Council" means the municipal council of the City of Nanaimo;

"Dedication Area" means a portion of the Lands to be dedicated as road, being not less than 16.5 metres in width and 37.050 metres in length, commencing at the westerly boundary of the Lands and running generally in a west to east direction, approximately as shown on the sketch plan attached to this Agreement as Schedule "B";

"Zoning Amendment Bylaw" means the proposed Zoning Bylaw No. 4000.496, 2011, rezoning part of the Lands from P-2 Public Institution Zone to CD-7 Comprehensive Development District Zone;

"Zoning Bylaw" means the Grantee's Zoning Bylaw No. 4000, 1993, as amended from time to time, and any enactment that may replace it.

Use, Building and Subdivision Restricted

2. The Transferor covenants and agrees with the Transferee that it must not use or permit the use of the Lands or any building on the Lands for any purpose, construct any building on the Lands or subdivide the Lands except in strict accordance with this Agreement.

Road Dedication

3. The Transferor must, within ninety (90) days following written notice from the Transferee, dedicate as road pursuant to section 107 of the *Land Title Act* the Dedication Area, in a precise location satisfactory to the Transferee. The dedication of the Dedication Area, including preparation of a survey plan and registration fees, shall be at the expense of the Transferee.

Schedule "B" Sketch Plan Schematic

4. The parties acknowledge and agree that the sketch plan in Schedule "B" is schematic only and the exact location of the Dedication Area is subject to the approval of the Transferee; therefore, the references to the Dedication Area herein shall be interpreted to apply to the area generally corresponding to the location shown on the sketch plan attached in Schedule "B". The parties may modify this Agreement from time to time to reflect the more accurate description of the Dedication Area, and the Transferor agrees that this Agreement may be registered against the whole of the Lands until such modification.

Community Contribution

5. The Transferor voluntarily agrees to provide a community contribution by way of payment of the sum of EIGHTY-TWO THOUSAND SIX HUNDRED AND TWENTY DOLLARS (\$82,620.00) to the Transferee. The Transferor may pay the community contribution in three (3) equal instalments of TWENTY SEVEN THOUSAND FIVE HUNDRED AND

FORTY DOLLARS (\$27,540.00), and one (1) instalment must be paid prior to the issuance of a building permit for each of the New Buildings. If the Transferor elects to pursue a development on the Lands other than the construction of the New Buildings, then the Transferor must pay the entire community contribution of EIGHTY-TWO THOUSAND SIX HUNDRED AND TWENTY DOLLARS (\$82,620.00) to the Transferee prior to the issuance of any building permit for the Lands.

Discharge From Subdivision Remainder

6. The Transferee agrees that if the Lands are subdivided the Transferee will, at the Transferor's expense, discharge this Agreement from a subdivided portion of the Lands if the Transferee is satisfied that this Agreement is not applicable to the subdivided portion of the Lands for which the discharge is sought.

Discharge if Development Abandoned

7. The Transferee agrees that if:
- (a) the Zoning Amendment Bylaw is adopted by Council;
 - (b) development applications for the Lands are abandoned subsequent to the adoption of the Zoning Amendment Bylaw; and
 - (c) the Transferor applies for and succeeds in persuading Council to adopt a further bylaw, removing the CD-7 Comprehensive Development Zone designation from a part of the Lands, and returning the zoning of the entirety of the Lands to P-2 Public Institution Zone or its equivalent;

then the Transferee will execute a discharge of this Agreement from title to the Lands.

General Provisions

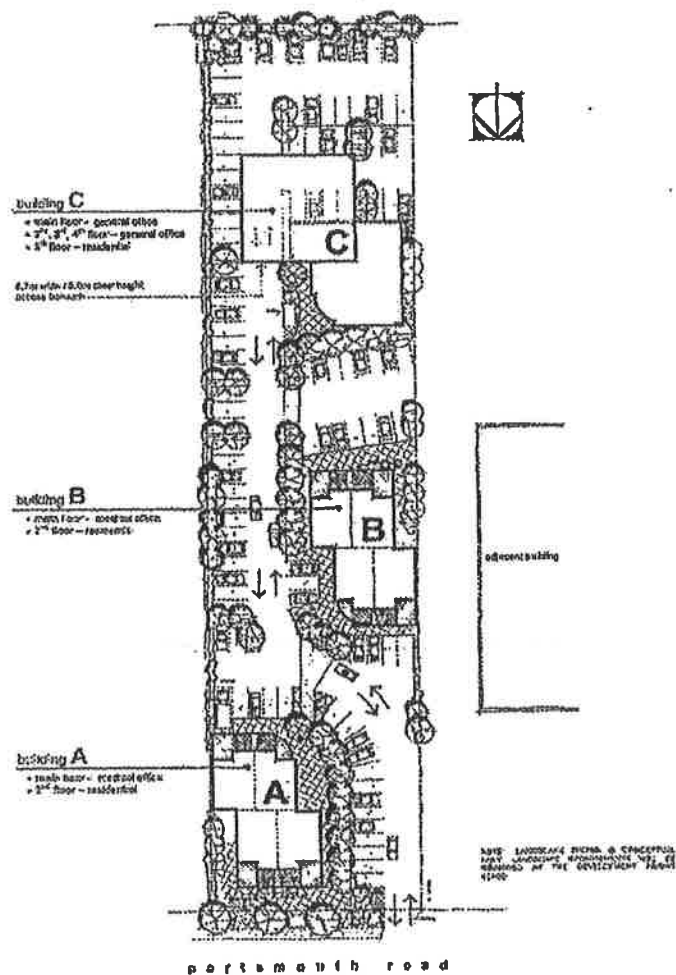
8. The Transferor must indemnify and save harmless the Transferee from any and all claims, causes of action, suits, demands, fines, penalties, costs or expenses or legal fees whatsoever which anyone has or may have against the Transferee or which the Transferee incurs as a result of any loss or damage or injury, including economic loss, arising out of or connected with:
- (a) the breach of any covenant in this Agreement;
 - (b) the use of the Lands contemplated under this Agreement; and
 - (c) restrictions or requirements under this Agreement.
9. The Transferor hereby releases and forever discharges the Transferee of and from any claims, causes of action, suits, demands, fines, penalties, costs or expenses or legal fees whatsoever which the Transferor can or may have against the Transferee for any loss or damage or injury, including economic loss, that the Transferor may sustain or suffer arising out of or connected with:

- (a) the breach of any covenant in this Agreement;
 - (b) the use of the Lands contemplated under this Agreement; and
 - (c) restrictions or requirements under this Agreement.
10. At the Transferor's expense, the Transferor must do everything necessary to secure priority of registration and interest for this Agreement and the Section 219 Covenant it creates over all registered and pending charges of a financial nature against the Lands.
 11. Nothing contained or implied in this Agreement shall prejudice or affect the rights and powers of the Transferee in the exercise of its functions under any public or private statutes, bylaws, orders and regulations, all of which may be fully and effectively exercised in relation to the Lands as if the Agreement had not been executed and delivered by the Transferor.
 12. The Transferor acknowledges that neither the Transferee, nor its officials, employees or agents, have stated, held out or implied any expectation or requirement that the covenants in this Agreement must be provided in order for the Transferor's rezoning application to be approved, but rather the Transferor hereby expresses intention to voluntarily donate the covenants in this Agreement to the Transferee, and to be bound by them, without any expectation of payment or reward of any kind. The Transferor further releases, waives and forever discharges the Transferee from and against any claims, actions or causes of action, whether based in contract, tort or equity, for damages, deprivation or losses, or for the recovery of costs incurred, whether known or unknown, arising out of or in connection with the provision of the covenants in this Agreement. The Transferee agrees that if the Zoning Amendment Bylaw is not adopted by Council and development applications for the Lands are abandoned, the Transferee will execute a discharge of this Agreement from title to the Lands.
 13. The Transferor covenants and agrees that the Transferee may withhold development permits, building permits and occupancy permits as necessary to ensure compliance with the covenants in this Agreement, and that the issuance of a development permit, building permit or occupancy permit does not act as a representation or warranty by the Transferee that the covenants in this Agreement have been satisfied.
 14. Time is of the essence of this Agreement.
 15. The Transferor covenants and agrees for itself, its heirs, executors, successors and assigns, that it shall at all times perform and observe the requirements and restrictions set out in this Agreement and they shall be binding upon the Transferor as personal covenants only during the period of its respective ownership of any interest in the Lands.
 16. It is mutually understood, acknowledged and agreed by the parties hereto that the Transferee has made no representations, covenants, warranties, guarantees, promises or agreements (oral or otherwise) with the Transferor other than those contained in this Agreement.
 17. The Transferor must pay the legal fees of the Transferee in connection with the preparation and registration of this Agreement. This is a personal covenant between the parties.

18. The waiver by a party of any breach of this Agreement or failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar, and no waiver shall be effective unless it is in writing signed by both parties.
19. The enforcement of this Agreement shall be entirely within the discretion of the Transferee and the execution and registration of the Agreement against title to the Lands shall not be interpreted as creating any duty on the part of the Transferee to the Transferor or to any other person to enforce any provision or the breach of any provision of this Agreement.
20. Wherever the singular, masculine and neuter are used throughout this Agreement, the same is to be construed as meaning the plural or the feminine or the body corporate or politic as the context so requires.
21. The headings in this Agreement are included for ease of reference only and shall not affect the interpretation of this Agreement or any provision of this Agreement.
22. All of the provisions of this Agreement shall be construed as covenants and agreements as though the words importing covenants and agreements were used in each separate paragraph.
23. No remedy under this Agreement is to be deemed exclusive but shall, where possible, be cumulative with all other remedies at law or in equity.
24. The restrictions and covenants herein contained shall be covenants running with the Lands and shall be perpetual, and shall continue to bind all of the Lands when subdivided, and shall be registered in the Victoria Land Title Office pursuant to section 219 of the *Land Title Act* as covenants in favour of the Transferee as a charge against the Lands in priority to all charges of a financial nature.
25. The Transferor agrees to execute all other documents and provide all other assurances necessary to give effect to the covenants contained in this Agreement.
26. If any part of this Agreement is found to be illegal or unenforceable, that part shall be considered separate and severable and the remaining parts shall not be affected thereby and shall be enforceable to the fullest extent permitted by law.
27. This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia.

The Transferor and Transferee acknowledge that this Agreement has been duly executed and delivered by the parties executing Forms C and D (pages 1 and 2) attached hereto.

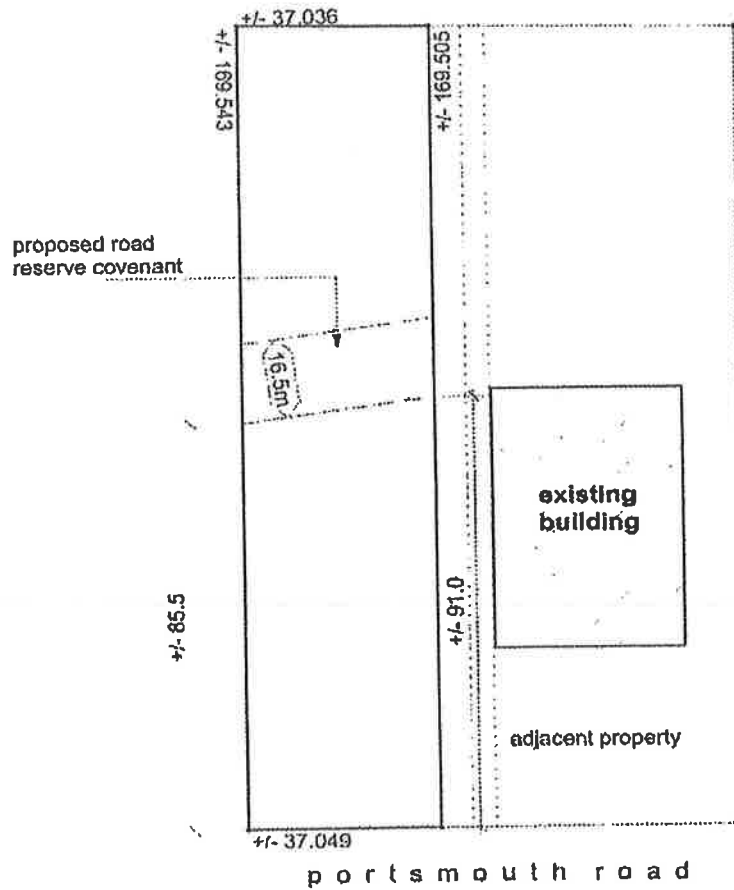
SCHEDULE "A"



PROPOSED DEVELOPMENT
6563 FORTSMOUTH ROAD
NANAIMO B.C.

SCHEDULE "B"

Dedication Area



site plan

area of proposed road reserve covenant
scale: n.t.s.

civic: 6553 portsmouth road
Nanaimo, BC

EXHIBIT "I"

16.6. COMPREHENSIVE DEVELOPMENT DISTRICT ZONE SIX (CD6)

The intent of this zone is to provide land uses and siting requirements that are consistent with the Woodgrove Urban Node which is described as a regional commercial centre with a focus on intensive retail and service uses and medium to high density residential.

16.6.1 PERMITTED USES

Permitted uses shall be as set out in Subsection 16.6.9 of this Bylaw.

16.6.2 CONDITIONS OF USE

Conditions of use shall be as set out in Subsection 16.6.9 of this Bylaw.

16.6.3 DENSITY

Density shall be as set out in Subsection 16.6.9 of this Bylaw.

16.5.4 LOT COVERAGE

Lot coverage shall as set out in Subsection 16.6.9 of this Bylaw.

16.5.5 YARD REQUIREMENTS

Yard Requirements shall as set out in Subsection 16.6.9 of this Bylaw.

16.6.6 HEIGHT OF BUILDINGS

The height of a building shall be as set out in Subsection 16.6.9 of this Bylaw.

16.6.7 SCREENING AND LANDSCAPING

16.6.7.1 Where the CD6 Zone abuts a highway or a Residential Zone screening and landscaping shall be provided in accordance with Part 17 of this Bylaw.

16.6.7.2 All mechanical, electrical or other service equipment located outside or on the roof of a building shall be screened from adjacent properties and streets by ornamental structures, landscaping, or other means.

16.6.8 PARKING

Parking shall be provided as set out in Subsection 16.6.9 of this Bylaw.

16.6.9 PLANS

Within the CD6 Zone, the lands shall be developed in general accordance with the following plans:

DEVELOPMENT DATA

Permitted Uses:	Artist Studio	Library
	Commercial School	Multiple Family Dwellings
	Day Care Facility	Office
	Deli/Specialty Food Store	Office Medical/Dental
	Dry Cleaners	Personal Service Use
	Financial Institution	Retail Store
	Furniture and Appliance Sales	Social Service Resource Centre
	Laundromat	Veterinary Clinic

Density: 0.65 Floor Area Ratio (FAR)

Lot Coverage: 30%

Yard Requirements: Building siting is generally as shown on the following site plan and the following yard requirements will apply:

Front Yard Minimum Setback: 4.5m

Front Yard Maximum Setback: 7.5m

Side Yard Setback *: 3.0m

Rear Yard Setback: 7.5m

** Note: side yard setback can be reduced to 0.0m along a maximum of 40% of the property boundaries.*

Conditions of Use:

- No parking spaces shall be permitted between the front property line and the front face of Building A.
- Maximum Gross Floor Area (GFA) for non-residential uses is 2430m².

Building Height:

Building	Minimum # of Storeys	Maximum Height
A	2	12.2m
B	2	12.2m
C	2	22.0m

Parking:

Parking will be required generally as shown on the following site plan and the following parking rates will apply:

Non-Residential: 1 space per 22m² of Gross Floor Area.

Loading Bays: 1 space for Buildings A and B; and 1 space for Building C.

** Note: There is no parking requirement for Multiple Family Dwellings, subject to non-residential uses existing on the lot (i.e. the development must be a mixed- use development). Stand alone residential would require 1.66 spaces per dwelling unit.*

SITE PLAN

