

DISCLOSURE STATEMENT OF

0704315 B.C. Ltd.

for

Sentinel Ridge Development #2

DATE OF DISCLOSURE STATEMENT:

March 6, 2009

NAME OF DEVELOPER:

0704315 B.C. Ltd.

ADDRESS FOR SERVICE:

1626 Garnet Road
Victoria, BC V8P 3C8

MAILING ADDRESS

1626 Garnet Road
Victoria, BC V8P 3C8

The Developer will be using its own employees to market the lots. The employees of the Developer are not licensed under the *Real Estate Services Act* and are not acting on behalf of any prospective purchaser.

This Disclosure Statement relates to a development property that is not yet completed. Please refer to Section 7.2 for information on the Purchase Agreement. That information has been drawn to the attention of _____, who has confirmed that fact by initialing in the space provided here:

Purchaser Initial(s)

DISCLAIMER

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

RIGHT OF RESCISSION

UNDER SECTION 21 OF THE *REAL ESTATE DEVELOPMENT MARKETING ACT*, THE PURCHASER OR LESSEE OF A DEVELOPMENT UNIT MAY RESCIND (CANCEL) THE CONTRACT OF PURCHASE AND SALE OR CONTRACT TO LEASE BY SERVING BY 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.

THIS 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 PURCHASER'S DEPOSITS WITH A BROKERAGE, LAWYER OR NOTARY PUBLIC WHO MUST PLACE THE DEPOSIT 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.

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EXHIBITS

- Exhibit "A" – Proposed Plan of Subdivision
- Exhibit "B" – Cowichan Valley Regional District Bylaw No. 2788
- Exhibit "C" – Building Scheme
- Exhibit "D" – Plan of Statutory Right of Way
- Exhibit "E" – Development Permit from the Cowichan Valley Regional District
- Exhibit "F" – Ministry of Transportation Preliminary Layout Approval
- Exhibit "G" – Form of Purchase Agreement

1. THE DEVELOPER

Name and Address: 0704315 B.C. Ltd.
1626 Garnet Road
Victoria, BC V8P 3C8

1.1 **Jurisdiction of Incorporation:** British Columbia
Date of Incorporation: September 16, 2004
Incorporation Number: BC0704315

1.2 **Incorporation Purpose:** The Developer is a company that owns other assets in addition to the Lands comprising the Development property and was not incorporated solely for the purposes of developing the subdivision lots in this Development.

1.3 Registered and Records Address of Developer

Mailing and Delivery address: 1626 Garnet Road
Victoria, BC V8P 3C8

1.4 Directors and Officers

Director/President & Secretary William Ernest Beadle
737 Goldstream Avenue
Victoria, BC V9B 2X4

1.5 Developer's Background

In accordance with Policy Statement No. 15 under the *Real Estate Development Marketing Act* (British Columbia), the Developer is required to provide certain disclosure respecting the previous 5 to 10 years as to its background as well as the background of its directors and officers. The background of the Developer and the Director/Officer of the Developer is set out below:

- (a) The Developer has four years experience in the development of subdivision lots. The Developer's first development consisted of 58 subdivision lots in the Sentinel Ridge Development which was registered under Plan VIP83417 at the Victoria Land Title Office. The Developer has been marketing 56 of the subdivision lots in Plan VIP83417. Lot 42 of Plan VIP83417 was conveyed to the Cowichan Valley Regional District for the purposes of a waste management site and Lot 58 of Plan VIP83417 was conveyed to the Cowichan Valley Regional District for the purposes of a sewage treatment facility.

- (b) William Ernest Beadle is the sole Director/Officer of the Developer, and he has 21 years experience in the real estate development industry on Vancouver Island, British Columbia. The types of projects he has been involved in include bare land strata projects, fee simple subdivisions, townhouses, multi-family dwellings and commercial and hotel developments.
- (c) The Developer, the Principal Holder of the Developer and any Director or Officer of the Developer or Principal Holder have not, 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 of land, or to theft or fraud.
- (d) The Developer, the Principal Holder of the Developer and any Director or Officer of the Developer or Principal Holder have not, 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 have 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 the Developer, the Principal Holder of the Developer or any Director or Officer of the Developer or Principal Holder.
- (e) The Director or Officer or Principal Holder of the Developer and the Director or Officer of the Principal Holder have not, 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:
- (i) was subject to any penalties or sanctions imposed by a court or regulatory authority relating to the sale, lease, promotion, or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud; or
 - (ii) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

1.6 Conflicts of Interest

Neither the Developer nor William Ernest Beadle are aware of any existing or potential conflicts which could reasonably be expected to affect the purchaser's purchase decision.

2. GENERAL DESCRIPTION

2.1 General Description of the Development

Sentinel Ridge Development #2 is a subdivision consisting of 30 lots located in Mill Bay, British Columbia. The subdivision lots will be owned individually and will be marketed by the Developer.

A copy of the Developer's proposed plan of subdivision, showing the overall layout of the development and the dimensions of each lot is attached as Exhibit "A". For a legal description of the property, see section 4.1 below.

2.2 Permitted Use

Each subdivision lot is intended for single-family residential use. The occupation and use of the subdivision lots are governed by the by-laws of the Cowichan Valley Regional District (the "CVRD").

The zoning for the Development is R-3A Urban Residential Limited Height, in accordance with CVRD Bylaw No. 2788 – Area A – Mill Bay/Malahat Zoning Amendment Bylaw (R-3A Limited Height Zone), 2006. A copy of CVRD Bylaw No. 2788 is attached hereto as Exhibit "B".

2.3 Building Construction

Purchasers are responsible for the construction of any improvements on the subdivision lots. A building permit from the Cowichan Valley Regional District will be required. A Statutory Building Scheme will be registered against titles to the lots and a copy of the proposed Statutory Building Scheme is attached as Exhibit "C".

3. SERVICING INFORMATION

3.1 Utilities and Services

Servicing of the lots in the subdivision is expected to be completed by March 31, 2009. Each lot in the subdivision will be serviced with the following utilities:

- (a) Water – Mill Bay Waterworks District
- (b) Electrical Power – British Columbia Hydro and Power Authority
- (c) Sewer and Storm water – Each homeowner will be required to install a pump system that will pump directly into the municipal sewer forcemain. Each homeowner will also be required to install a storm water management system to the satisfaction of the CVRD. Specifications and estimated costs of the pump will be provided to buyers upon request at time of contract. CVRD will be responsible for the management of the community sewer system.
- (d) Natural Gas – Terasen Gas (Vancouver Island) Inc.
- (e) Fire Protection – Fire hydrants will be installed within the subdivision to the satisfaction of the Mill Bay Fire Department. The nearest fire station is in the town of Mill Bay on the corner of Lodgepole Road and Deloume Road, approximately 1 km from the subdivision.
- (f) Telephone – Telus Communications Inc.
- (g) Cable – Shaw Cablesystems Limited.
- (h) Access – Access into the subdivision is from Noowick Road to Rozon Road which is near the intersection of Noowick Road and Mill Bay Road. Emergency access will be provided from Dagall Road and from Sangster Road.
- (i) Street lighting – Street lighting in the subdivision will be completed by the Developer.
- (j) Service area agreements for sewer, storm drain, and street lights have been approved by the CVRD and owners will be responsible for the following estimated annual costs:
 - (i) Sewer - Parcel tax: \$350.00/year
User Fees: \$230.00/year (billed bi-annually)
 - (ii) Storm Drain – Parcel Tax: \$150.00
 - (iii) Street Lighting - Parcel Tax: \$75.00
- (k) In the event that the CVRD requires that sidewalks be installed in the Development, then the sidewalks will be completed by the Developer and maintained by the CVRD. A service area agreement for any such sidewalks may be required, which would result in an additional charge to homeowners, the amount of which is yet to be determined.

4. TITLE AND LEGAL MATTERS

4.1 Legal Description

Present Legal Description

Sentinel Ridge Development #2 (the "Subdivision") is located on land situated in the Cowichan Valley Regional District, Province of British Columbia. The municipal address of the land is at Dagnall Road, Sentinel Drive and Coopers Hawk Rise, Mill Bay, British Columbia, which land is legally described as:

Parcel Identifier: 009-346-562
District Lot 80, Malahat District, except Parcel A (DD 360991) thereof and that part in Plan VIP77596 and VIP83417

(the "Lands")

4.2 Ownership

The Developer is the registered owner of the Lands. Upon registration of the plan of subdivision the Developer shall be the sole owner of the lots.

4.3 Existing Legal Encumbrances and Legal Notations

- (a) Present Legal Notations: This title may be affected by a permit under Part 26 of the Local Government Act, see FA72487
- (b) Present Legal Encumbrances:
 - (i) Exceptions and Reservations No. M76300 in favour of the Esquimalt and Nanaimo Railway Company;
 - (ii) Mortgage No. CA152685 and Assignment of Rents No. CA152686 in favour of Coast Capital Savings Credit Union;
 - (iii) Statutory Right of Way No. FB72890 in favour of The Crown in Right of British Columbia for storm drainage over Areas 3 and 4 shown on Plan of Statutory Right of Way VIP83419;
 - (iv) Priority Agreement No. FB72891 granting Statutory Right of Way No. FB72890 priority over Mortgage No. CA152685 and Assignment of Rents No. CA152686;

- (v) Statutory Right of Way No. FB72892 in favour of Mill Bay Waterworks District for water services over Areas 10 to 20 shown on Plan of Statutory Right of Way VIP83418 and Area 1 shown on Plan of Statutory Right of Way VIP83419;
- (vi) Priority Agreement No. FB72893 granting Statutory Right of Way No. FB72892 priority over Mortgage No. CA152685 and Assignment of Rents No. CA152686;
- (vii) Easement No. FB72894 appurtenant to Parcel A (DD 36099I) of District Lots 77 and 80, Malahat District for sanitary sewer pipes over Area 2 shown on the Plan of Statutory Right of Way VIP83419;
- (viii) Priority Agreement No. FB72895 granting Easement No. FB72894 priority over Mortgage No. CA152685 and Assignment of Rents No. CA152686.

4.4 Proposed Encumbrances

(a) Proposed Legal Notations:

NIL

(b) Proposed Legal Encumbrances:

- (i) Statutory Building Scheme in the form attached as Exhibit "C";
- (ii) Statutory Right of Way over Lot 9 in favour of the Cowichan Valley Regional District (the "CVRD") for sewer and in favour of Her Majesty the Queen in Right of the Province of British Columbia, as represented by the Ministry of Transportation and Infrastructure for storm drainage in Area 3 as shown on the Plan of Statutory Right of Way to be registered (see Exhibit "D");
- (iii) Restrictive Covenants over Lots 23 to 29 in favour of the CVRD preventing the construction of buildings, the alteration of land, including the removal of trees and vegetation in Areas 4 to 10 as shown on the Plan of Statutory Right of Way to be registered (see Exhibit "D");
- (iv) Statutory Rights of Way over Lots 4 to 7 in favour of Terasen Gas for the gas services in Areas 11 to 14 as shown on the Plan of Statutory Right of way to be registered (see Exhibit "D");

- (v) Any other encumbrances, statutory rights of way, easements, restrictive covenants, covenants, dedications, and other rights or restrictions required by the Cowichan Valley Regional District, Mill Bay Waterworks District, British Columbia Hydro and Power Authority, Telus Communications Inc., Terasen Gas (Vancouver Island) Inc., cablevision and telecommunications suppliers, or any other applicable government authority, public or private utility as may be required by the Cowichan Valley Regional District or deemed necessary by the Developer in connection with the Subdivision, over any or all subdivision lots.

4.5 Outstanding or Contingent Litigation or Liabilities

The Developer is unaware of any contingent litigation or liabilities in respect of the Development or against the Developer that may affect the subdivision lots or lot owners.

4.6 Environmental Matters

The Developer is not aware of any dangers or any requirements imposed by municipalities or other governmental authorities relating to flooding or conditions of soil or subsoil. Construction of any part of the Subdivision below the water table has been designed and engineered to prevent flooding. Environmental soil remediation of the Lands is not necessary prior to construction upon the lands.

The Developer will be installing a drainage system in the westerly portion of proposed Lot 1 to facilitate drainage of a low lying area located in the southwesterly part of that Lot. Further details regarding the system will be available from the developer or its engineer J. E. Anderson & Associates.

The Developer has provided engineered fill on Lots 1, 2, 20, 21, 22 and 23, and Engineer's Certificates regarding the foregoing are available from the Developer.

5. **CONSTRUCTION AND WARRANTIES**

5.1 Construction Dates

The estimated date of completion of the plan of subdivision and the servicing of the subdivision lots is March 31, 2009.

5.2 Warranties

Not applicable.

6. APPROVALS AND FINANCING

6.1 Development Approval

An Approving Officer of the Cowichan Valley Regional District gave approval for the proposed plan of subdivision on April 10, 2006, which approval is attached hereto as Exhibit "E". The Ministry of Transportation granted Preliminary Layout Approval of the Subdivision on May 8, 2006, which approval is attached hereto as Exhibit "F".

6.2 Construction Financing

The Developer has obtained financing from Coast Capital Savings Credit Union for the development and servicing of the Subdivision and has permitted a registered charge on title to the Lands in favor of Coast Capital Savings Credit Union, pending the subdivision of the Lands and the purchase of individual lots by purchasers. The Developer will make arrangements with the mortgage holder for the discharge of such mortgage and assignment of rents from each lot as the sale proceeds are paid by purchasers. In no event will an amount greater than the net sale proceeds of each lot be required by such charge holder as a condition of the discharge of the mortgage and assignment of rents.

7. MISCELLANEOUS

7.1 Deposits

All monies received from purchasers in British Columbia shall be held in trust by Mullin DeMeo Law Corporation as trustee in the manner required by the *Real Estate Development Marketing Act* until:

- (a) the plan of subdivision is deposited in the Land Titles Office;
- (b) the premises purchased are capable of being built upon; and
- (c) an instrument evidencing the interest of the purchaser in the lot has been registered in the Land Title Office.

7.2 Purchase Agreement

- (a) The Developer's standard form of Purchase Agreement is attached as Exhibit "G" to this Disclosure Statement.

- (b) The Developer may terminate the Purchase Agreement in the event that the Purchaser does not complete in a timely manner. There are no provisions in the Purchase Agreement for the Purchaser to terminate the Purchase Agreement.
- (c) There are no provisions in the Purchase Agreement that allow for an extension of time for completing the Purchase Agreement.
- (d) There are no provisions in the Purchase Agreement that prevent the assignment of the Purchase Agreement to a new Purchaser.
- (e) There are no provisions in the Purchase Agreement for the Purchaser or the Developer to receive interest on the Deposit monies.

7.3 Developer's Commitments

The Developer does not propose to have any commitments that must be met after completion of the sale of a lot.

7.4 Other Material Facts

None

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 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 Subdivision referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of March 6, 2009.

DATE Signed: March 6, 2009

0704315 B.C. Ltd.

Per Authorized Signatories:

All Directors in their Personal Capacity


WILLIAM ERNEST BEADLE


WILLIAM ERNEST BEADLE

SOLICITOR'S CERTIFICATE

IN THE MATTER OF THE *REAL ESTATE DEVELOPMENT MARKETING ACT*
MARCH 6, 2009, OF 0704315 B.C. LTD., DEVELOPER

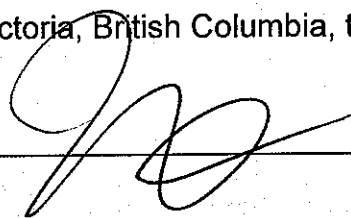
For the property presently described as:

Parcel Identifier: 009-346-562
District Lot 80, Malahat District, except Parcel A (DD 360991) thereof
and that part in Plan VIP77596 and VIP83417

I, JOHN DAWSON MULLIN, a member of the Law Society of British Columbia, HEREIN CERTIFY that I have read over the above described Disclosure Statement dated March 6, 2009, made any required investigations in public offices, and reviewed same with the Developer therein named, and hereby certify that the facts contained in paragraphs 4.1, 4.2 and 4.3 of the Disclosure Statement are correct.

DATED at Victoria, British Columbia, this 6 day of March, 2009.

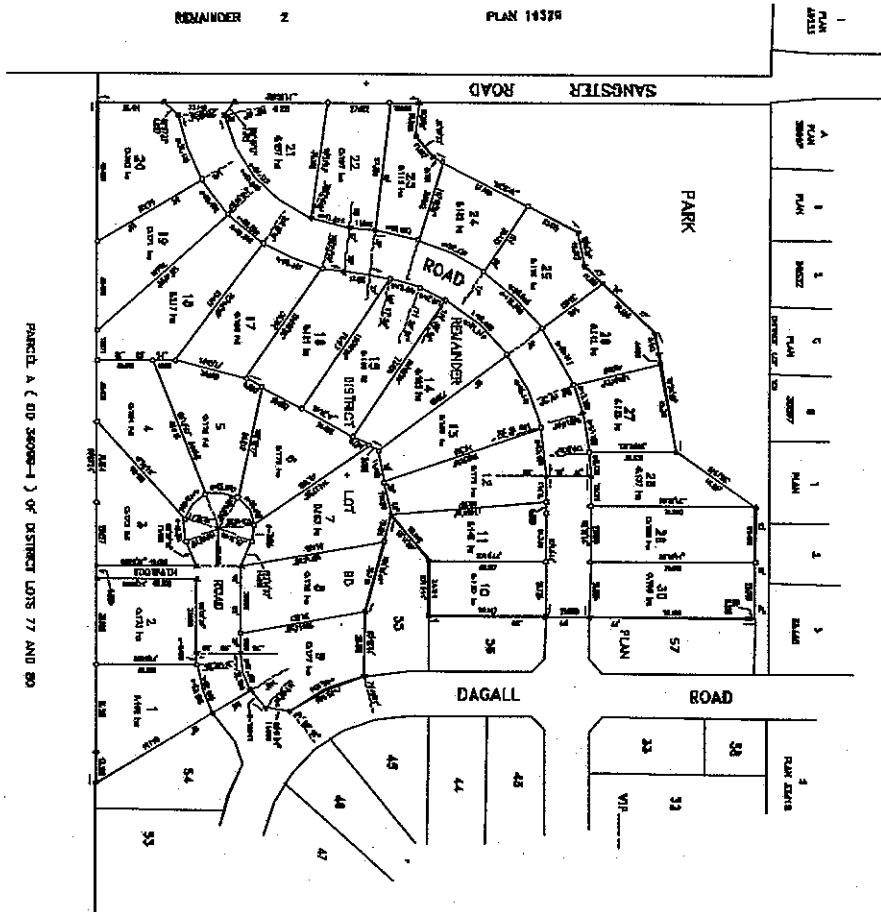
SOLICITOR





PLAN OF SUBDIVISION OF THE REMAINDER OF
DISTRICT LOT 80, MALAKAT DISTRICT

SCALE: 1:1000
1" = 100'



PARTICULARS OF DISTRICT LOTS 77 AND 80

Owner:	_____
Subdivided by:	_____
Approved by:	_____
Witness 1:	_____
Witness 2:	_____
Approved by:	_____
Witness 1:	_____
Witness 2:	_____

Approved under the Land (Amendment) Act, 1965
No. of _____

Malakal District, Malakal, Palau

At Malakal, Palau
This Plan was prepared by _____
on _____

PLAN
Approved by the Land Office of Malakal, Palau
No. of _____

Legend:
□ Standard lot line
○ Standard lot line
+ Standard lot line
- Standard lot line
- Standard lot line



COWICHAN VALLEY REGIONAL DISTRICT

BYLAW NO. 2788

**A Bylaw For The Purpose Of Amending Zoning Bylaw No. 2000
Applicable To Electoral Area A - Mill Bay/Malahat**

WHEREAS the *Local Government Act*, hereinafter referred to as the "*Act*", as amended, empowers the Regional Board to adopt and amend zoning bylaws;

AND WHEREAS the Regional District has adopted a zoning bylaw for Electoral Area A - Mill Bay/Malahat that being Zoning Bylaw No. 2000;

AND WHEREAS the Regional Board wishes to more closely control the height of residential buildings in defined portions of Mill Bay, to minimize the visual impact of newly-constructed buildings;

AND WHEREAS the Regional Board voted on and received the required majority vote of those present and eligible to vote at the meeting at which the vote is taken, as required by the *Act*;

AND WHEREAS after the close of the public hearing and with due regard to the reports received, the Regional Board considers it advisable to amend Zoning Bylaw No. 2000;

NOW THEREFORE the Board of Directors of the Cowichan Valley Regional District, in open meeting assembled, enacts as follows:

1. CITATION

This bylaw shall be cited for all purposes as "CVRD Bylaw No. 2788 - Area A - Mill Bay/Malahat Zoning Amendment Bylaw (R-3A Limited Height Zone), 2006".

2. AMENDMENTS

Cowichan Valley Regional District Zoning Bylaw No. 2000, as amended from time to time, is hereby amended in the following manner:

- a) That Section 6.1 "Creation of Zones" be amended by adding R-3A (Urban Residential Limited Height) to the list of zones;
- b) That Section 3.1 - Definitions - be amended by deleting the existing definition of "natural grade", and replacing it with the following:

"natural grade" means the elevation of the ground surface in its natural state, before alterations, as it would adjoin each face of a structure;
- c) That the following be added after Section 8.4(o)(3):

8.4.A R-3A ZONE - URBAN RESIDENTIAL (LIMITED HEIGHT)

Subject to compliance with the general requirements detailed in Parts 4 and 5 of the Bylaw, the following regulations apply in the R-3A Zone:

(a) Permitted Uses

The following uses and no others are permitted in an R-3A Zone:

- (1) One single family dwelling;
- (2) Bed and breakfast accommodation;
- (3) Daycare, nursery school accessory to a residential use;
- (4) Home occupation;
- (5) Horticulture;
- (6) Secondary suite or small suite.

(b) Conditions of Use

For and parcel in an R-3A Zone:

- (1) The parcel coverage shall not exceed 25 percent for all buildings and structures;
- (2) The height of all buildings and structures shall not exceed 7.5 m, except accessory buildings, which shall not exceed a height of 6 m;
- (3) The following minimum setbacks apply:

COLUMN I Type of Parcel Use	COLUMN II Residential Buildings & Structures	COLUMN III Buildings and Structures Accessory to Residential Use
Front	7.5 metres	7.5 metres
Interior Side	3.0 metres	3.0 metres
Exterior Side	4.5 metres	4.5 metres
Rear	4.5 metres	3.0 metres

(c) Minimum Parcel Size

Subject to Part 13, the minimum parcel size in the R-3 Zone is:

- (1) 0.1675 ha for parcels served by community water and community sewer systems;
- (2) 0.2 ha for parcels served by a community water system only;
- (3) 1.0 ha for parcels served by neither a community water system nor community sewer system.

d) That Schedule B (Zoning Map) be amended by adding R-3A Urban Residential -- Limited Height to the legend;

e) Schedule B (Zoning Map) to Electoral Area A - Mill Bay/Malahat Zoning Bylaw No. 2000 is further amended by rezoning the parcels of land covered by the area shown in grey shading on Schedule A, attached hereto and forming part of this Bylaw, numbered Z-3788, from R-3 Urban Residential to R-3A Urban Residential (Limited Height).

3. FORCE AND EFFECT

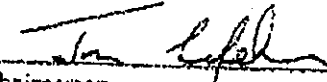
This bylaw shall take effect upon its adoption by the Regional Board.

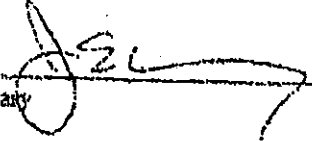
READ A FIRST TIME this 12th day of April, 2006

READ A SECOND TIME this 12th day of April, 2006.

READ A THIRD TIME this 14th day of June, 2006.

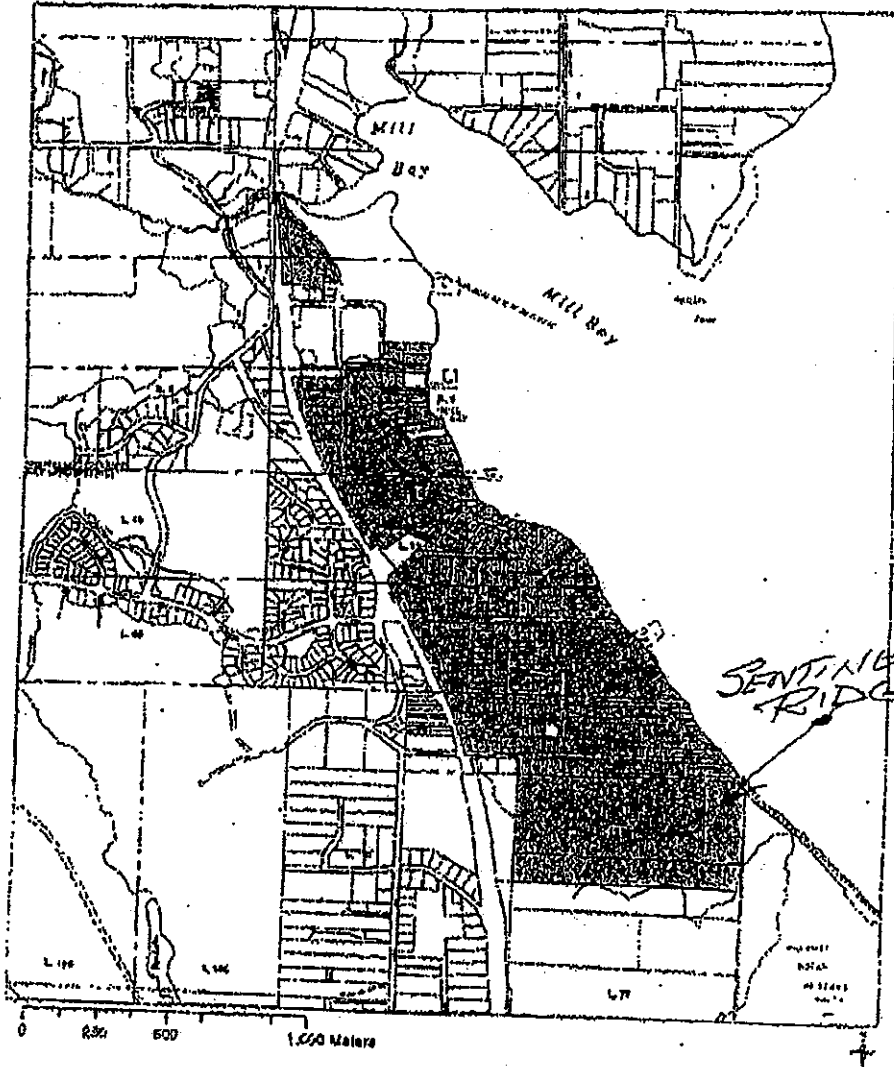
ADOPTED this 13th day of September, 2006.


Chairperson


Secretary

PLAN NO. 22788

SCHEDULE "A" TO ZONING AMENDMENT BYLAW NO. 2788
OF THE COWICHAN VALLEY REGIONAL DISTRICT



THE AREA SHOWN IN GREY SHADING IS REZONED FROM

R-3 Urban Residential

TO

R-3A Urban Residential (Limited Height)

APPLICABLE

TO ELECTORAL AREA A

LAND TITLE ACT
Form 35
(Section 216(1))

DECLARATION OF BUILDING SCHEME

NATURE OF INTEREST CHARGE: Statutory Building Scheme

HEREWITH FEES OF: \$66.15

Address of person entitled to apply to register this building scheme:

Registered owner

Full name, address, and telephone number of person presenting application:

MULLIN DEMEO, Barristers and Solicitors

1626 Garnet Road, Victoria, B. C., V8P 3C8 Phone: 477-3327

File: Sentinel Ridge/50087/JDM/jan

Signature of Applicant or Solicitor or Authorized Agent

0704315 B.C. LTD. declares that:

1. 0704315 B.C. LTD. is the registered owner in fee simple of the following land (the "Lots"):

Lots 1 to 30, of District Lot 80, Malahat District, Plan VIP_____
2. 0704315 B.C. LTD. hereby creates a building scheme relating to the Lots.
3. A sale of any of the Lots is subject to the restrictions enumerated in the schedule attached or annexed hereto.
4. The restrictions shall be for the benefit of all the Lots.

OFFICER SIGNATURE(S)

EXECUTION DATE

Y	M	D
---	---	---

0704315 B.C. LTD.
by its authorized signatory:
signatory

Name: William Beadle

**SOLICITOR OR NOTARY
OFFICER CERTIFICATION**

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

CONSENT AND PRIORITY AGREEMENT OF CHARGE HOLDERS

We, COAST CAPITAL SAVINGS CREDIT UNION, of Victoria, BC, the holder of the following registered charges, consent to the registration of the above Declaration of Building Scheme and agree that it shall have priority over our Mortgage No. CA152685 and Assignment of Rents No. CA152686.

OFFICER SIGNATURE(S)

EXECUTION DATE

Y	M	D

**COAST CAPITAL
SAVINGS CREDIT UNION**
by its authorized signatory:

Name: _____

SOLICITOR OR NOTARY

OFFICER CERTIFICATION

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

**BUILDING SCHEME
SCHEDULE OF RESTRICTIONS**

1. DEFINITIONS

- (a) "Developer" means 0704315 B.C. LTD. and includes its assigns and successors.
- (b) "Lot" means any of the 30 residential building lots, in whatever phase, intended to be created by subdivision of the Land, and "Lots" has a corresponding meaning.
- (c) Purchasers and their successors in title of the Lots are subject to this Statutory Building Scheme and are hereinafter referred to as the "Owner" or "Owners".

2. APPROVAL OF PLANS

- (a) No dwelling, building or other improvements shall be constructed, placed, erected or maintained on any Lot unless and until plans and specifications showing compliance in all respects with these restrictions and providing elevations, siting, size, colour scheme, landscaping and all materials to be used have been submitted to and approved in writing by the Developer's authorized agent ("Design Consultant") who shall have the right and power to approve or reject such plans and specifications. For the purposes of this Statutory Building Scheme, construction shall include grading, filling or other preparatory work on any Lot.
- (b) The Developer shall have the right to waive any terms or conditions in whole or in part with respect to any unsold Lot charged by this Statutory Building Scheme and any such waiver of any breach shall not negate or render such provision invalid or unenforceable with respect to any other Lot charged by this Statutory Building Scheme.

3. THE LOT

- (a) Site Requirements
 - (i) No retaining wall shall be constructed on any Lot having an exposed height greater than 1.2 metres (4 feet). Any exposed concrete over 0.6 metres (2 feet) in height shall be architecturally treated.

4. THE HOUSE

(a) House Size/Siting

- (i.) One level homes shall have a minimum gross floor area of 232.25 square metres (2,500 square feet), not including garage areas.
- (ii.) Two level homes shall have a minimum gross floor area on the first level of 139.35 square metres (1,500 square feet) and the second level of 92.90 square metres (1000 square feet), not including garage areas.
- (iii.) No house shall be constructed on any Lot unless a house siting plan has been approved by the Developer taking into account view corridors of surrounding Lots.

(b) Exterior Design

(i.) Specific exterior design details must include:

- (1) In general, the main materials used on the front of the house should be used on all other faces of the building.
- (2) The main exterior cladding shall be limited to rock or cultured stone, hardiplank, wood siding and wood shakes/shingle siding. Stucco is permitted as an "accent only" exterior cladding material. A minimum of three types of exterior cladding shall be used. Exterior trim must be a minimum of 15.24 centimetres (6 inches).
- (3) No house shall be constructed on any Lot unless the front façade has the following features:
 - A) A timber-framed entry feature is required and further detailing such as wood trims around appropriate windows and doors is required.
 - B) Columns and garages must be trimmed to provide relief from a siding only front façade.
 - C) The design must be integrated in a related use of materials and complimentary colours.
- (4) No exposed concrete block is permitted. Exposed concrete foundation walls are not to exceed 0.5 metres (1.64 feet) in height.
- (5) The exterior colour scheme used for the house shall be natural earth tones and not primary colours.

- (6) Fascia board colours must compliment the siding colour.
- (7) Front doors will have raised panels of solid wood construction. Decorative windows are permitted within the front door.
- (8) No house on a corner Lot shall be designed unless the house faces both streets with roof and/or wall treatments turning the exposed corner.

(c) Roof

- (i.) No Roofing materials other than "high profile" 30-year fibreglass shingles with raised ridge caps in a weathered wood or dark colour, cedar shakes or cedar shingles are permitted.
- (ii.) The roof pitch must be a minimum of 5:12. Flat roofs are not permitted.
- (iii.) No Gutters, rainwater leaders and soffits other than those painted to match trim colours or selected in a compatible colour if pre-finished are permitted. Any aluminium fascia gutter must be combined with wood fascia boards where appropriate to meet the requirements of this Building Scheme.

(d) Driveways and Garages

- (i.) Each dwelling shall have an enclosed area for a minimum of 2 parking spaces. All garages shall have closing wood doors with raised panels or other detailing and shall be stained/painted to match trim colours or complement the design of the house. Flat panel garage doors are not permitted.
- (ii.) Driveways shall be constructed of exposed aggregate, interlocking brick or a combination thereof. No gravel driveways or parking areas shall be constructed.
- (iii.) No buildings or driveways shall be constructed on the Lots unless provision to reduce storm water run-off from buildings and driveways has been made by the run-off from buildings, driveways and any other impervious surfaces constructed on a Lot being re-charged back to ground through suitable subsurface storm water management systems such as rock pits or exfiltration chambers and run-off from driveways which slope to the public road being intercepted at the property line by the provision of suitably designed and constructed absorbent strip such as grass-concrete or permeable interlocking concrete pavers.

5. GUIDELINES FOR THE STREETScape

- (a) Recreational Equipment, Commercial Equipment and Accessory Buildings
 - (i.) Except for licensed passenger automobiles, vans and trucks which do not exceed a capacity of one ton, any vehicle including trailers, boats, motor homes, campers, recreational equipment and other similar objects on a Lot are required to be stored inside an enclosed space or behind fencing or screening to the side or rear of the house and shall not be visible from the street. Storage of these objects is not allowed in the front yard or the side yard along a flanking street.
 - (ii.) Any truck in excess of one ton capacity and commercial vehicles, equipment or machinery of any kind shall not be parked or stored anywhere on a Lot except as may be required for construction or repair of the home on the Lot.
 - (iii.) Accessory buildings shall not be constructed ahead of the front façade of the dwelling. Only one accessory building per Lot is allowed. All accessory buildings shall be finished in the same exterior materials and colours as the principal building.

6. LANDSCAPING

- (a) Landscaping
 - (i.) To enhance a settled appearance on the Lots within the subdivision, the relevant Owner shall complete the street front of the Lot, front yard and side yard landscaping within 90 days after completion of house construction unless weather conditions make it impossible to do so.
 - (ii.) All front yard areas and any side yards fronting on either road within the subdivision shall be landscaped with a minimum of one tree per 8 metres (26.25 feet) of frontage. Each tree shall have a minimum caliper of 7 centimetres (2.75 inches) and a height of 1.5 metres (5 feet) or greater. There shall also be at least 9 shrubs in the front yard. Bedding areas containing shrubs, flowers and trees shall occupy a minimum of 20% of the front yard. Any area of the front yard or the side yards fronting roads within the subdivision which are not landscaped with bedding areas shall be turfed or seeded.
 - (iii.) A Sprinkler system is required for front and side yard landscaped/lawn areas.

7. FENCING

- (a) No fences shall be constructed in the front yard of a Lot other than metal vertical picket type fencing not exceeding a height of 1.5 metres (5 feet).
- (b) No fences on side yards shall extend further towards the front of the Lot than the front of the house, except in compliance with the requirements set out in 7(a) above.
- (c) No fences in the back yard and side yards (not including that portion of the side yards in front of the house) shall be constructed other than:
 - (i.) cedar split-rail fences;
 - (ii.) cedar board and/or lattice panel fences;
 - (iii.) hedges that serve as fences along property lines.
- (d) No fences in the back yard and side yards (not including that portion of the side yards in front of the house) shall be higher than 1.83 metres (6 feet).
- (e) No wire fencing (including page wire, barbed wire, chain link, chicken wire) shall be constructed or installed on a Lot, except at the rear property line where combined with tree hedging.

8. LOT CONDITION/CONSTRUCTION

- (a) No Owner shall allow debris, noxious weeds (i.e. thistles) or invasive plant species (i.e. scotch broom, gorse or ivy) to accumulate on a vacant Lot prior to construction of improvements.
- (b) No improvements shall be constructed or approved for construction unless such improvements are approved and commenced within a period of one (1) year from the purchase of a Lot. Should the Owner fail to comply, the Owner will be assessed at \$250 per month for single-family lots.
- (c) Should no work have commenced after one (1) year from the date of the completion date of the purchase of the Lot the Owner will be required within ninety (90) days to clear, level and seed (or sod) and maintain the site in accordance with directions provided by the Design Consultant. Non-compliance will authorize the Developer to proceed with the same works and maintenance to the site, the cost of which to be deducted from the compliance deposit. Should the works and ongoing maintenance exceed funds remaining in the compliance deposit, the excess will be registered against the Lot.

- (d) No improvements shall be allowed to remain in an incomplete state and construction shall proceed diligently and continuously from commencement of the improvements until completion of all improvements in the manner approved by the Developer and in no case shall any improvements be incomplete within 12 months of commencement of the improvements for single family homes.
- (e) Delays created by unforeseen circumstances are subject to review by the Developer and this period of delay may be deemed exempt from time restriction penalties. These time restrictions have been developed to assist in protecting the visual appeal of the community for all Owners.
- (f) No dwelling on any Lot shall be occupied by any person until construction of such building has received final Building Approval by the Developer and an Occupancy Permit from the Cowichan Valley Regional District has been issued. No dwelling on any Lot shall be occupied by any person unless and until such dwelling, including the exterior thereof, is substantially finished.
- (g) The Lot Owner shall landscape the front yard of the Lot as soon as feasibly possible after completion of the construction of the house. Seed or turf is approved.

9. GENERAL RESTRICTIONS

- (a) No Owner or occupier of any Lot shall cause, commit, suffer, authorize or permit any act of nuisance to originate or emanate from his/her Lot.
- (b) No pole, mast, clothesline, antenna, satellite dish or any other similar object of any kind shall be situated on any Lot or on the exterior of any building or improvement on any Lot, save and except for a single satellite dish of approximately .61 metres (2 feet) in diameter.
- (c) No billboard or "For Sale" sign of any character shall be erected, posted or displayed upon or about any part of any Lot other than signs not larger than 76.2 centimetres by 45.72 centimetres (30 inches by 18 inches).
- (d) No heat pumps or air-conditioning units shall be placed in buildings or on any Lot unless the siting has been approved by the Developer and the sound level at the property lines of the Lot will not exceed 50 decibels.

- (e) No Owner or occupier of any Lot shall keep or permit to be kept animals of any kind or description whatsoever except for domesticated household pets which pets shall not be permitted to run wild or uncontrolled within the subdivision.
- (f) There shall not be stored, kept nor permitted to be kept or stored on any Lot or on any road or street adjoining any Lot any junk or wrecked or partially wrecked motor vehicles or any salvage materials or goods intended for commercial use or sale nor shall any waste or refuse be kept or stored upon any Lot.
- (g) Any reference included within this Schedule of Restrictions to the Developer shall apply to the successors and assigns of the Developer.
- (h) The Lot Owner shall be responsible for repairing any damage to curb, sidewalk, roadways, swales or service connections as a result of the house construction.
- (i) The Lot Owner is required to keep the Lot, sidewalk, curb and street clean and orderly during construction.

END OF DOCUMENT

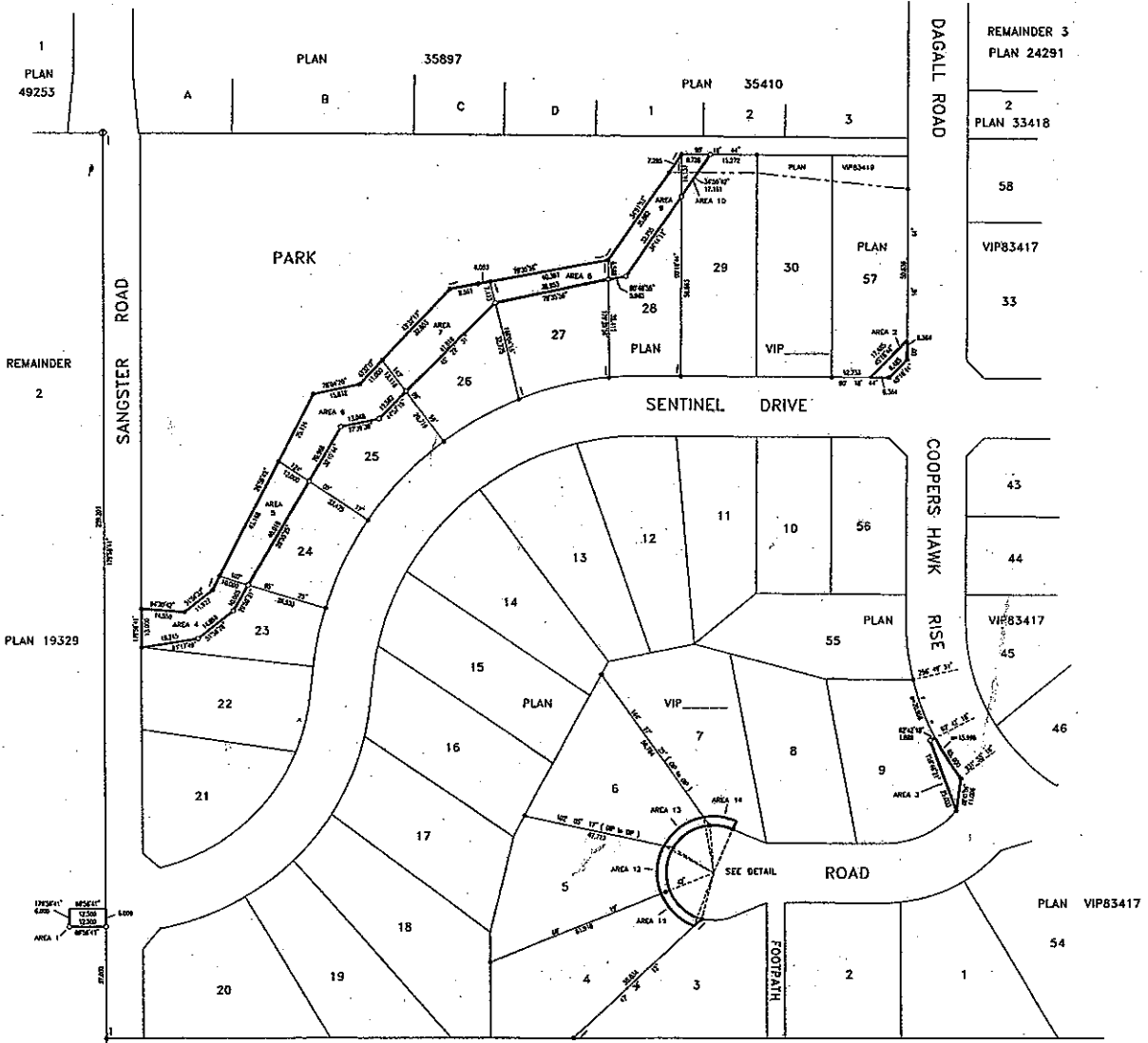
Exhibit "D"

PLAN OF STATUTORY RIGHT OF WAY OVER LOT 2, DISTRICT LOT 82, PLAN 19329, EXCEPT THAT PART IN PLAN VIP52127, LOT 57, DISTRICT LOT 80, PLAN VIP83417 AND LOTS 4, 5, 6, 7, 9, 23, 24, 25, 26, 27, 28 AND 29, DISTRICT LOT 80, PLAN VIP_____, ALL IN MALAHAT DISTRICT
(PURSUANT TO SECTION 113 OF THE LAND TITLE ACT)

PLAN _____
Deposited in the Land Title Office of Victoria, B.C. the _____ day of _____, 2009.
Registrar

BCS 928.063

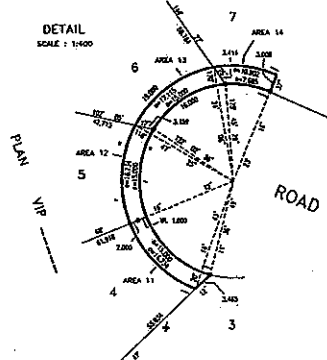
The intended plot size of this plan is 559mm in width by 654mm (D size) when plotted at a scale of 1:500.



PARCEL A (DD36099-1)
OF DISTRICT LOTS 77 AND 80

BOOK OF REFERENCE

AREA No.	LOT No.	SIZE
1	REMA 2	75.0 Sq. Ft.
2	51	58.6 Sq. Ft.
3	52	200.8 Sq. Ft.
4	23	452.1 Sq. Ft.
5	24	375.5 Sq. Ft.
6	25	554.9 Sq. Ft.
7	26	528.8 Sq. Ft.
8	27	374.8 Sq. Ft.
9	28	528.8 Sq. Ft.
10	29	424.4 Sq. Ft.
11	30	418.8 Sq. Ft.
12	7	482.2 Sq. Ft.
13	8	27.8 Sq. Ft.
14	9	27.8 Sq. Ft.



- Legend
- Standard Iron Post set
 - Standard Iron Post found
 - ⊙ Standard Capped Post found
 - Sq. Ft. denotes square metres
 - All distances shown are in metres
 - Bookings are electronic and derived from Plan VIP83417

I, G.S. Cordeiro, a British Columbia Land Surveyor, of Victoria, in British Columbia, certify that I was present at and personally supervised the survey represented by this plan and that the survey and plan are correct. The survey was completed on the _____ day of _____, 2009. The plan was completed and checked and the electronic filed under # _____ on the _____ day of _____, 2009.

DEVELOPMENT PERMITNO.: 6-A-05DPDATE: April 10, 2006TO: RON SCATTERGOOD
(for 0704315 BC Ltd.)ADDRESS: 2835 Bryn Maur Road
VICTORIA, BC V9B 3T5

1. This Development Permit is issued subject to compliance with all of the bylaws of the Regional District applicable thereto, except as specifically varied or supplemented by this Permit.
2. This Development Permit applies to and only to those lands within the Regional District described below (legal description) and any and all buildings, structures and other development thereon:

District Lot 80, Malahat District, except Parcel A (DD 36099I) thereof and that part in Plan VIP77596

3. Authorization is hereby given for the above-described property to be developed.

4. The development shall be carried out subject to the following conditions:

- a) CVRD approval and takeover of the community sewer system;
- b) That measures, such as absorbent strips, be put in place on all driveways within the subdivision to reduce storm water flows;
- c) That oil-water separators be used on all roads;
- d) That environmental monitoring take place throughout road construction and lot preparation;
- e) That all street lighting be 'down lighting' to minimize light pollution;
- f) That restrictive covenants preventing the construction of buildings and the alteration of land, including the removal of trees and vegetation, in order to protect the creek and wildlife trees be registered on lots 35, 78-84 and 87 as described in Enkon's reports dated October 16 2005, November 22 2005 and February 16 2006;
- g) That all wildlife trees have informative plaques placed on them and that the covenant area be fenced off as per Enkon's recommendations;
- h) That all disturbed areas within the creek and wildlife tree covenant areas be revegetated with native shrubs in consultation with Enkon;
- i) That lots 24-27 have restrictive covenants requiring a geotechnical assessment prior to allowing the construction of pools or ponds due to steep topography.
- j) That MoE's decision concerning the penalty to be issued for applicant's failure to submit a notification pursuant to Section 9 of the Water Act be received by this office prior to the issuance of the development permit, and further, that the development permit only be issued if no substantial changes that affect the terms of the development permit are deemed necessary by MoE.

5. The land described herein shall be developed in substantial compliance with the terms and conditions and provisions of this Permit and any plans and specifications attached to this Permit shall form a part thereof.

6. The following plans and specifications are attached:

Schedule "A" - Plan of Subdivision

Schedule "B" - Site Plan (Trail and street light locations)

7. This Permit is not a Building Permit. No occupancy permit shall be issued until all items of this Development Permit have been complied with to the satisfaction of the Development Services Department.

AUTHORIZING RESOLUTION PASSED BY THE BOARD, the 8th

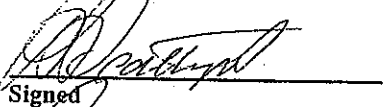
day of March, 2006



Manager, Development Services Department

NOTE: Subject to the terms of this Permit, if the holder of this Permit does not substantially start any construction within 2 years of its issuance, this Permit will lapse.

I HEREBY CERTIFY that I have read the terms and conditions of the Development Permit contained herein. I understand and agree that the Cowichan Valley Regional District has made no representations, covenants, warranties, guarantees, promises or agreements (verbal or otherwise) with RON SCATTERGOOD other than those contained in this Permit.



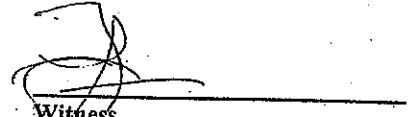
Signed

Project Manager

Title

12 Apr. 06

Date



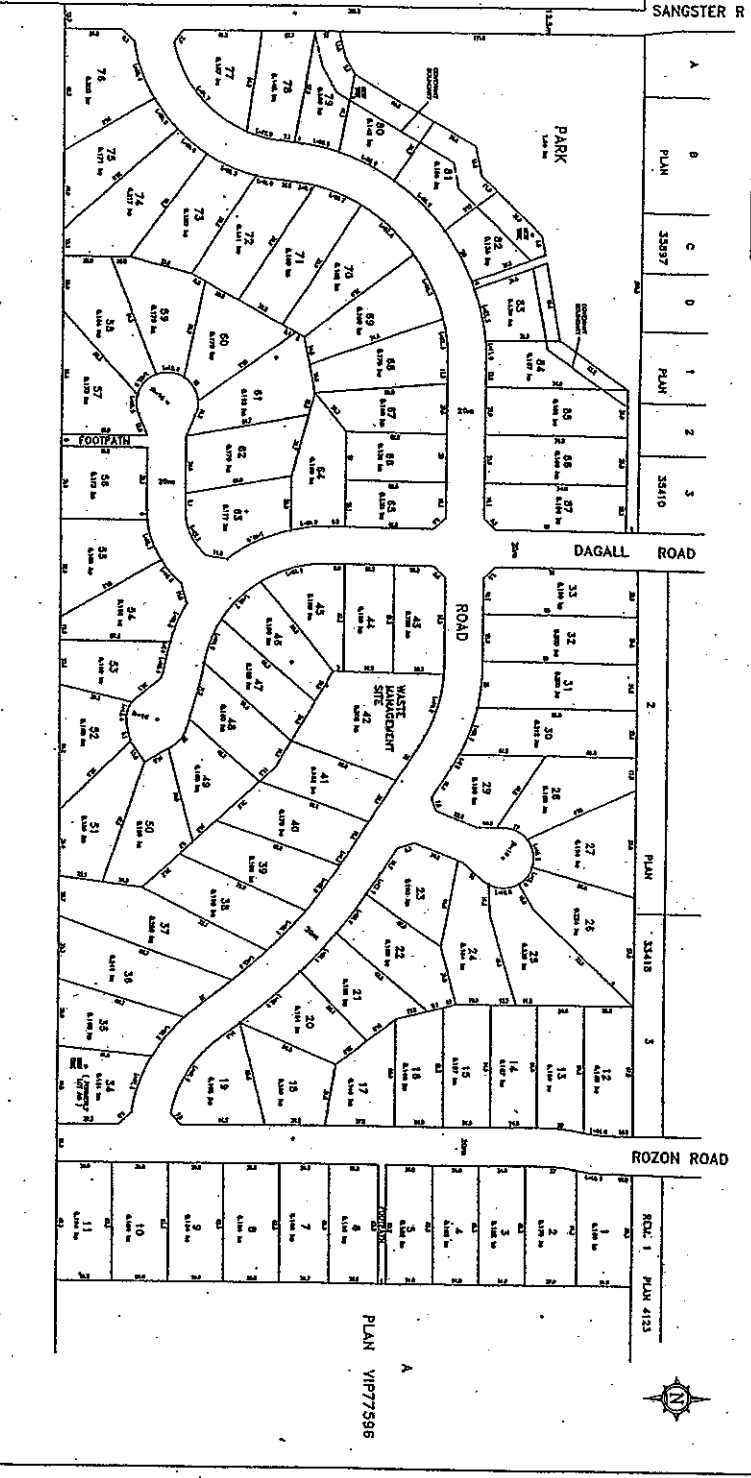
Witness

Planning Tech

Occupation

12 April 06

Date



PARCEL A (D036999-1) OF DISTRICT LOTS 77 AND 80

AREA CALCULATIONS

TOTAL SITE AREA: 1000000.00 SQ. M.
 TOTAL AREA OF PAVEMENT: 100000.00 SQ. M.
 TOTAL AREA OF OPEN SPACE: 900000.00 SQ. M.
 TOTAL AREA OF ROADS: 100000.00 SQ. M.
 TOTAL AREA OF UTILITIES: 100000.00 SQ. M.

J. S. Anderson and Associates
 SURVEYORS ENGINEERS

070415 B.C. LTD.
 22375

DATE: 1998.08.25

070415 B.C. LTD.
 22375


**BRITISH
COLUMBIA**

 Ministry of
Transportation

**PROPOSED SUBDIVISION
PRELIMINARY LAYOUT APPROVAL**

 Christina Patteson
c/o J.E. Anderson and Associates
4212 Glanford Avenue
Victoria, BC V8Z 4B7

 Your File JEA22375

 Our File 01-001-22876

 Date (yyyy/mm/dd) 2008/05/08

Proposed Subdivision of District Lot 80, Malahat District, except Parcel A
Your proposal for a 87 lot fee simple subdivision has received preliminary layout approval, subject to the following condition(s):

1. This Preliminary Layout Approval cancels and replaces all other Preliminary Layout Approval's associated with this property.
2. Written confirmation from the Cowichan Valley Regional District that all applicable bylaws have been complied with including connection to an approved community sewer system.
3. Written confirmation from the Cowichan Valley Regional District that Section 941 of the Local Government Act has been complied with.
4. All roads are to be constructed and paved to Ministry of Transportation standards. Please see Road Standards, attached.
5. Rozon Road is to be the only road connection to Noowich Road. Both Dagall and Sangster are substandard, although Dagall Road should be a "Fire Access Only" connection to Noowich and should be gated.
6. A drainage study is to be done for the stormwater from the proposal. Study is to be to the high water mark of Saanich Inlet.
7. A professional biologist is to locate all eagle nesting trees on the proposal and any heron rookeries. Report will form a 219 protection covenant.
8. All access is to be approved by the Mill Bay Fire Department.
9. Written confirmation from the Mill Bay Water District that water has been supplied to their satisfaction.

The approval granted is only for the general layout of the subdivision and is valid for one year from the date of this letter. However, if at any time there is a change in legislation, regulations or bylaws this preliminary layout approval is automatically cancelled.

Submission of Final Plans (Mylar and 5 prints) to be accompanied by a current Tax Certificate (FIN 55), together with a plan examination fee of \$ 50.00 plus \$ 100.00 per lot created by the plan and made payable in the form of a cheque to the Minister of Finance.

«Off_Desc»
«OFF_ADDR1»
«OFF_ADDR2»
«OFF_ADDR3»
«OFF_CITY» BC «Off_pc»



CONTRACT OF PURCHASE AND SALE

PREPARED BY: _____ DATE: _____
 ADDRESS: _____ (BROKERAGE - PLEASE PRINT)
 PER: _____ PC: _____ PHONE: _____
 (LICENSEE - PLEASE PRINT) MLS® No.: _____

SELLER: 0704315 B.C. LTD.	BUYER: _____
SELLER: _____	BUYER: _____
ADDRESS: c/o 1626 Garnet Road	ADDRESS: _____
Victoria, BC	_____
_____ PC: _____	_____ PC: _____
PHONE: _____	PHONE: _____
RESIDENT OF CANADA <input checked="" type="checkbox"/> NON-RESIDENT OF CANADA <input type="checkbox"/>	OCCUPATION: _____
as defined under the <i>Income Tax Act</i> .	

PROPERTY:

PROPOSED LOT NO. _____ "SENTINEL RIDGE #2" Proposed Subdivision
 UNIT NO. _____ ADDRESS OF PROPERTY _____
 MILL BAY
 CITY/TOWN/MUNICIPALITY _____ POSTAL CODE _____ PID _____
 PROPOSED LOT _____ OF A SUBDIVISION OF DISTRICT LOT 80, MALAHAT DISTRICT, EXCEPT PARCEL A
 LEGAL DESCRIPTION (DD 36099I) THEREOF AND THAT PART IN PLAN VIP77596 AND VIP83417

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

- PURCHASE PRICE:** The purchase price of the Property will be _____
 _____ (PLUS G.S.T.) DOLLARS \$ _____ (Purchase Price)
- 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 MULLIN DEMEO (LAWYERS)
1626 GARNET ROAD, VICTORIA, BC

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

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INITIALS

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

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

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

5. **POSSESSION:** The Buyer will have vacant possession of the Property at _____ a.m./p.m. on _____, yr. _____ (Possession Date) OR, subject to the following existing tenancies, if any: _____

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 _____, yr. _____ (Adjustment Date).

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

BUT EXCLUDING: _____

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

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

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

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

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INITIALS

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

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INITIALS

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

A. the Seller has an Agency relationship with

_____ and _____
BROKERAGE LICENSEE

B. the Buyer has an Agency relationship with

_____ and _____
BROKERAGE LICENSEE

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

_____ and _____
BROKERAGE LICENSEE
LICENSEE

having signed a Limited Dual Agency Agreement dated _____

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

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

A. fulfill or waive the terms and conditions herein contained; and/or

B. exercise any option(s) herein contained.

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

23. **OFFER:** This offer, or counter-offer, will be open for acceptance until _____ o'clock a.m./p.m. on _____

_____ yr. _____ (unless withdrawn in writing with notification to the other party of such revocation prior to notification of its acceptance), and upon acceptance of the offer, or counter-offer, by accepting in writing and notifying the other party of such acceptance, there will be a binding Contract of Purchase and Sale on the terms and conditions set forth.

X
WITNESS _____ BUYER _____ SEAL _____ PRINT NAME _____

X
WITNESS _____ BUYER _____ SEAL _____ PRINT NAME _____

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

Seller's acceptance is dated _____, yr. _____

X
WITNESS _____ SELLER _____ SEAL _____ PRINT NAME _____

X
WITNESS _____ SELLER _____ SEAL _____ PRINT NAME _____

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

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

1. **CONTRACT:** This document, when signed by both parties, is a legally binding contract. **READ IT CAREFULLY.** The parties should ensure that everything that is agreed to is in writing.
2. **DEPOSIT(S):** Section 28 of the *Real Estate Services Act* requires that money held by a brokerage in respect of a real estate transaction for which there is an agreement between the parties for the acquisition and disposition of the real estate be held by the brokerage as a stakeholder. The money is held for the real estate transaction and not on behalf of one of the parties. If a party does not remove a subject clause, the brokerage requires the written agreement of both parties in order to release the deposit. If both parties do not sign the agreement to release the deposit, then the parties will have to apply to court for a determination of the deposit issue.

3. **COMPLETION:** (Clause 4) Unless the parties are prepared to actually meet at the Land Title Office and exchange title documents for the Purchase Price, it is, in every case, advisable for the completion of the sale to take place in the following sequence:
 - (a) The Buyer pays the Purchase Price or down payment in trust to the Buyer's Lawyer or Notary (who should advise the Buyer of the exact amount required) several days before the Completion Date, and the Buyer signs the documents.
 - (b) The Buyer's Lawyer or Notary prepares the documents and forwards them for signature to the Seller's Lawyer or Notary who returns the documents to the Buyer's Lawyer or Notary.
 - (c) The Buyer's Lawyer or Notary then attends to the deposit of the signed title documents (and any mortgages) in the appropriate Land Title Office.
 - (d) The Buyer's Lawyer or Notary releases the sale proceeds at the Buyer's Lawyer's or Notary's office.

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

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

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

Costs to be Borne by the Seller

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

Costs to be Borne by the Buyer

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

7. **RISK:** (Clause 16) The Buyer should arrange for insurance to be effective on the earlier of the Completion Date or the date the Buyer pays the balance of the funds into trust. The Seller should maintain the Seller's insurance in effect until the later of the date the Seller receives the proceeds of sale, or the date the Seller vacates the property.
8. **FORM OF CONTRACT:** This Contract of Purchase and Sale is designed primarily for the purchase and sale of freehold residences. If your transaction involves:
 - a house or other building under construction
 - a business
 - other special circumstances (including the acquisition of land situated on a First Nations reserve)
 additional provisions, not contained in this form, may be needed, and professional advice should be obtained. A Property Disclosure Statement completed by the Seller may be available.

9. **ALTERNATE DISPUTE RESOLUTION:** Parties to this contract may pursue alternate dispute resolution if a dispute arises after completion of the transaction. It is recommended that the parties first mediate the dispute. Failing agreement to mediate, or if the mediation fails, then disputes can be submitted to an arbitration under the *Commercial Arbitration Act*. BCREA member boards can provide guidance on the selection of mediation and arbitration services in your area.

CONTRACT OF PURCHASE AND SALE
ADDENDUM

DATE _____ PAGE 6 OF _____ PAGES

This form is to be used in the event you require additional space.

RE: ADDRESS _____ PROPOSED LOT _____, Sentinel Ridge #2

FURTHER TO THE CONTRACT OF PURCHASE AND SALE DATED _____

MADE BETWEEN 0704315 B.C. LTD. _____ AS SELLER(S), AND

_____ AS BUYER(S) AND COVERING
THE ABOVE MENTIONED PROPERTY, THE UNDERSIGNED HEREBY AGREES AS FOLLOWS:

The Buyer will pay a refundable \$5,000.00 Compliance Deposit to the Seller on the
Completion Date and these funds will be held in trust by the Seller's lawyer until
confirmation from the Seller that the Buyer has complied with the terms of the
Building Scheme.

The Buyer will also pay a non-refundable fee of \$350.00 to the Seller for plan
review/approval.

The parties agree that in the event the Buyer has not commenced construction of a
home on the property within one year following the Completion Date then the Buyer
shall pay at the Seller's request site maintenance fees of \$250.00 per month.

ALL OTHER TERMS AND CONDITIONS CONTAINED IN THE SAID CONTRACT OF PURCHASE AND SALE REMAIN THE SAME AND IN FULL FORCE AND EFFECT.

WITNESS _____

BUYER _____ SEAL

WITNESS _____

BUYER _____ SEAL

WITNESS _____

SELLER _____ SEAL

WITNESS _____

SELLER _____ SEAL