

DISCLOSURE STATEMENT

OF

Lougheed Enterprises Ltd.

for

THE COVE

203 Boardwalk Boulevard

Ucluelet, British Columbia

July 20, 2021

This is a Disclosure Statement with respect to an offering by Lougheed Enterprises Ltd. for the sale of certain strata lots located at 203 Boardwalk Boulevard, Ucluelet, British Columbia in a development known as the Cove.

DEVELOPER:

Name: Lougheed Enterprises Ltd.
Business Address: #102- 2455 Dollarton Highway
North Vancouver, British Columbia V7H 0A2
Address for Service: #102 - 2455 Dollarton Highway
North Vancouver, British Columbia V7H 0A2

AGENT OF DEVELOPER:

Name: RE/MAX Mid-Island Realty
Attention: Judy Gray
Business Address: 109 - 1917 Peninsula Road
Ucluelet, British Columbia V0R 3A0

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 WRITTEN NOTICE ON THE DEVELOPER OR THE DEVELOPER'S BROKERAGE, WITHIN 7 DAYS AFTER THE LATER OF THE DATE THE CONTRACT WAS ENTERED INTO OR THE DATE THE PURCHASER OR LESSEE RECEIVED A COPY OF THIS DISCLOSURE STATEMENT.

A PURCHASER MAY SERVE A NOTICE OF RESCISSION BY DELIVERING A SIGNED COPY OF THE NOTICE IN PERSON OR BY REGISTERED MAIL TO:

- (A) THE DEVELOPER AT THE ADDRESS SHOWN IN THE DISCLOSURE STATEMENT RECEIVED BY THE PURCHASER;
- (B) THE DEVELOPER AT THE ADDRESS SHOWN IN THE PURCHASER'S PURCHASE AGREEMENT;
- (C) THE DEVELOPER'S BROKERAGE, IF ANY, AT THE ADDRESS SHOWN IN THE DISCLOSURE STATEMENT RECEIVED BY THE PURCHASER; OR
- (D) THE DEVELOPER'S BROKERAGE, IF ANY, AT THE ADDRESS SHOWN IN THE PURCHASER'S PURCHASE AGREEMENT.

THE DEVELOPER MUST PROMPTLY PLACE PURCHASERS' DEPOSITS WITH A BROKERAGE, LAWYER OR NOTARY PUBLIC WHO MUST PLACE THE DEPOSITS IN A TRUST ACCOUNT IN A SAVINGS INSTITUTION IN BRITISH COLUMBIA. IF A PURCHASER RESCINDS 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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203 Boardwalk Boulevard, Ucluelet, BC

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DECLARATION

EXHIBITS TO THIS DISCLOSURE STATEMENT

- "A" Strata Plan for the Development
- "B" Form V Schedule of Unit Entitlement
- "C" Form I Amendment to Bylaws
- "D" Estimated Interim Budget for the Strata Corporation
- "E" Building Condition Report

1. **THE DEVELOPER**

The Developer is Lougheed Enterprises Ltd. (Incorporation No. BC1297410).

1.1 Incorporation Particulars

Business Address: #102 – 2455 Dollarton Highway
North Vancouver, British Columbia V7H 0A2

Address for Service: #102 – 2455 Dollarton Highway
North Vancouver, British Columbia V7H 0A2

Jurisdiction of Incorporation: British Columbia

Date and Number of Amalgamation: April 1, 2021
Certificate of Amalgamation No. BC1297410

1.2 Purpose of Incorporation

Neither the Developer nor any of its predecessors (the Developer being an amalgamation of companies including a previous Lougheed Enterprises Ltd. [Incorporation No. BC0998092]) was incorporated specifically for the Development (as hereinafter defined), and accordingly the Developer does have assets other than the Lands (as hereinafter defined) and the building/units that constitute the Development.

1.3 Registered and Records Offices

Registered and
Records Offices: 1055 West Georgia Street
1500 Royal Centre P.O. Box 11117
Vancouver, British Columbia V6E 4N7

1.4 Directors and Officers

Directors:

Ross Elliott
#102 – 2455 Dollarton Highway
North Vancouver, British Columbia V7H 0A2

Dolores Elliott
#102 – 2455 Dollarton Highway
North Vancouver, British Columbia V7H 0A2

Allen Lougheed
#102 – 2455 Dollarton Highway
North Vancouver, British Columbia V7H 0A2

Brian Loughheed
#102 – 2455 Dollarton Highway
North Vancouver, British Columbia V7H 0A2

Officers: None

1.5 Developer's Background

- (a) The Developer and its directors do have prior development experience, including over 30 years experience in the real estate industry including residential, commercial and industrial projects throughout British Columbia.
- (b) To the best of the Developer's knowledge, neither the Developer, nor any principal holder of the Developer, nor any director or officer of the Developer or a principal holder, has, within the 10 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 monies secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud;
- (c) To the best of the Developer's knowledge, neither the Developer, nor any principal holder of the Developer, nor any director or officer of the Developer or principal holder, within the five years before the date of the Developer's declaration attached to this Disclosure Statement, was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person;
- (d) To the best of the Developer's knowledge, neither the Developer nor any director, officer or principal holder of the Developer, nor any director or officer of the principal holder, within the five years prior to the date of the Developer's declaration attached to this Disclosure Statement, has been a director, officer or principal holder of any other developer that, while that person was acting in that capacity, that other developer:
 - (i) was subject to any penalties or sanctions imposed by a court or regulatory authority relating to the sale, lease, promotion, or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud; or
 - (ii) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise

with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

1.6 Conflict of Interest

To the best of the Developer's knowledge, 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 Units in connection with the Development, which could reasonably be expected to affect the decision of a purchaser to purchase a Unit.

2. **GENERAL DESCRIPTION**

2.1 General Description of the Development

- (a) The Development – The Development is located at 203 Boardwalk Boulevard, Ucluelet, British Columbia. The legal description of the lands constituting the Development are as follows:

District of Ucluelet
Parcel Identifier: 030-663-989
Strata Lot 1 Section 21
Clayoquot District Strata Plan EPS5494

District of Ucluelet
Parcel Identifier: 030-663-997
Strata Lot 2 Section 21
Clayoquot District Strata Plan EPS5494

District of Ucluelet
Parcel Identifier: 030-664-004
Strata Lot 3 Section 21
Clayoquot District Strata Plan EPS5494

District of Ucluelet
Parcel Identifier: 030-664-012
Strata Lot 4 Section 21
Clayoquot District Strata Plan EPS5494

District of Ucluelet
Parcel Identifier: 030-664-021
Strata Lot 5 Section 21
Clayoquot District Strata Plan EPS5494

District of Ucluelet
Parcel Identifier: 030-664-039
Strata Lot 6 Section 21
Clayoquot District Strata Plan EPS5494

(collectively, the “Lands”).

The Development consists of a single building (the “Building”) which includes six commercial tourism rental units (all of which rental units as they existed prior to the filing of the Strata Plan (as hereinafter defined), and which are now individual strata lots, are collectively referred to herein as the “Units” and individually as a “Unit”) originally constructed and held by the Developer for commercial tourism rental purposes.

The Development is a strata conversion under Section 242 of the *Strata Property Act* (the “Act”). A strata conversion occurs when a strata plan is filed in the Land Title Office that includes previously occupied unstratified buildings, subdividing a single legal parcel of land into two or more strata lots plus common property.

The strata plan for the Development was filed at the Land Title Office on December 17, 2018 (the “Strata Plan”). Upon the filing of the Strata Plan, each Unit became a distinct strata lot as defined by the Act.

The Lands were originally zoned and continue to be zoned CS-5 (Tourist Commercial) and the Building (including the Units) were developed for the purpose of short-term commercial tourist rental units, and have been used by the Developer since the completion of the construction of the Building/Units only for such purpose.

- (b) Ownership – The Development now consists of 6 strata lots (being the Units) in the Building, all of which will be owned individually, together with a proportionate share in the common property, including common facilities and other assets of the Strata Corporation, which will be owned as tenants in common by the owners of the Units (the “Development”).
- (c) Description of Building – The Building is a wood frame building with a two-ply torch on membrane roof, and hardi-plank siding.
- (d) Number and Description of Units – Strata lots/Units 1, 2, 3 and 5 have 2 bedrooms each and strata lots/Units 4 and 6 have 1 bedroom each. Strata lots/Units 1, 2 and 3 have living space on floors one and two, strata lot/Unit 5 has living space on the second and third floors and strata lots/Units 4 and 6 have second floor entrances with foyers and third floor living space. Each of the Units has either a patio or a balcony.
- (e) Plans – A copy of the filed Strata Plan is attached hereto as Exhibit “A”.

2.2 Permitted Use

The Development is zoned CS-5 (Tourist Commercial). All of the Units are intended for commercial tourist accommodation use only subject to the restrictions contained in the Strata Corporation by-laws, District of Ucluelet zoning and the existing financial encumbrances set out in Section 4.3(a) hereof. No Unit may be used for other purposes not ancillary to commercial tourist accommodation purposes, however, the zoning of the Lands allows for one of the Units to be used as an accessory residential dwelling unit which is used primarily for caretaking, management, staffing or security of the other Units (although none of the Units are currently used for such purpose).

2.3 Phasing

This Development is not part of a phased Strata Plan.

2.4 Construction of Building

Construction of the Building by the Developer commenced in 2009 and was completed in 2011.

3. **STRATA INFORMATION**

3.1 Unit Entitlement and Interest Upon Destruction

A copy of the Form V required by the Act and filed at the Land Title Office showing the unit entitlement for the Development is attached hereto as Exhibit "B". The unit entitlement indicates the share of each Unit in the Common Property and assets of the Strata Corporation, and by which the proportionate contribution to the expenses of such Common Property in assets is determined. The unit entitled for each Unit is based on its habitable square metres, excluding any non-living areas such as patios and balconies.

3.2 Voting Rights

Pursuant to Section 53(1) of the Act, each Unit has one vote in the Strata Corporation. The persons entitled to exercise such vote are set forth in Sections 53-58 of the Act.

3.3 Common Property and Facilities

The Common Property of the Development, subject to those matters referred to in Paragraph 3.4 below, is defined as those areas of the Development which are available for the use of all Unit owners. The Common Property for the Development includes the following:

- Parking Area
- Electrical Room and Mechanical Room
- Laundry Room

- Storage Room
- Propane tank providing propane for the Units
- Outdoor shower facility

Restrictions pertaining to the use of the Common Property may be established by the Strata Corporation and its bylaws.

The estimated cost of operating and maintaining the Common Property will be shared by the owners of the Units and included in their monthly assessments.

3.4 Limited Common Property

Limited Common Property means areas within the Common Property of the Strata Corporation which are intended to be used exclusively by one or more Unit owners. Although under the Act the Strata Corporation is generally responsible for maintaining all Common Property, including Limited Common Property, under Section 72(2)(a) the Strata Corporation may, by Bylaw, make owners responsible for the repair and maintenance of Limited Common Property which they use. Bylaws 2 and 8 of the Standard Bylaws make an owner responsible for maintaining and repairing Limited Common Property which they use, except only for the following which the Strata Corporation is still responsible to repair and maintain:

- repair and maintenance that in the ordinary course of events occurs less than once a year
- the structure of a building
- the exterior of a building
- stairs and other things attached to the exterior of a building
- doors, windows or skylights on the exterior of a building or that front on the Common Property
- fences, hedges, railings and similar structures that enclose patios, balconies and yards

The Developer has only designated as Limited Common Property on the Strata Plan each Unit's patio or balcony/deck.

3.5 Bylaws

The Bylaws of the Strata Corporation will be the Standard Bylaws contained in the Act, amended by the Developer as set out in the Form I Amendment to Bylaws attached as Exhibit "C" hereto. The Form I Amendment to Bylaws has been or will be filed at the Land Title Office by the Developer. These amendments to the Standard Bylaws do not impose any restrictions on the age of occupants or the rental of Units; however:

- (a) New Bylaw 32 prohibits smoking in all areas of the Lands, including the Units; and

- (b) New Bylaw 33 prohibits the growing, cultivating, harvesting, manufacturing, selling or distributing of any cannabis/marijuana/hemp or related products anywhere within the Lands, including the Units.

3.6 Parking

Parking consists of a single, open parking area located in front of the Building having a total of eight parking stalls. While not specifically designated or assigned, it is intended that each Unit will have the use of one parking stall and that the remaining two parking stalls will be used for visitor parking.

Except as set out above, there will be no other extra or common parking available for any of the Unit owners or their guests.

3.7 Furnishings and Equipment

The following appliances will be included with each Unit:

- stove
- refrigerator
- washer and dryer
- microwave
- dishwasher

In addition as each Unit has been used by the Developer for commercial tourism rental purposes, each Unit will include general furnishings such as a couch, chairs, beds and kitchen supplies.

3.8 Budget

- (a) Estimated Interim Budget – Particulars of the interim projected annual operating budget of the Strata Corporation for the 12-month period commencing on the 1st day of the month following the month in which the first conveyance of title of a Unit to a purchaser in the Development are attached hereto as Exhibit "D". Monthly allocation of the projected budget amongst the Units is contained therein. The actual monthly strata maintenance fees will be adjusted when the Strata Corporation approves a new budget at its first annual general meeting.
- (b) Fines if Accrued Expenses Exceed Interim Budget – Pursuant to Section 7 of the Act, the Developer must pay the Strata Corporation's actual expenses up to the end of the month in which there is the first conveyance of a Unit to a purchaser. Pursuant to Section 14 of the Act and Section 3.1(1) of the Regulations to the Act, after that month and prior to the first annual budget taking effect, the Strata Corporation must pay its own actual expenses, provided that:
- (i) If the actual expenses accrued by the Strata Corporation for such period are greater than the operating expenses estimated in the interim budget for that period provided by the Developer, the Developer must pay the difference to

the Strata Corporation within a week after the date of the first annual general meeting;

- (ii) If the accrued expenses are at least 10% greater but less than 20% greater than the interim budget, an additional amount is to be paid by the Developer to the Strata Corporation of two times the amount set out in Sub-Paragraph (i) above; and
 - (iii) If the accrued expenses are at least 20% greater than the interim budget, an additional amount is to be paid by the Developer to the Strata Corporation of three times the amount set out in Sub-Paragraph (i) above.
- (c) Contingency Reserve Fund – Pursuant to Section 12 of the Act, the Developer will establish the Strata Corporation's contingency reserve fund by making a minimum contribution to that fund at the time of the first conveyance of a Unit to a purchaser, such contribution to be calculated as follows:
- (i) If the first conveyance of a Unit to a purchaser occurs no later than one year after the deposit of the Strata Plan at the Land Title Office, the minimum contribution to the fund will be 5% of the estimated operating expenses as set out in the interim budget for the Strata Corporation; or
 - (ii) If the first conveyance of a Unit to a purchaser occurs later than one year after the deposit of the Strata Plan at the Land Title Office, the minimum contribution to the fund will be the lesser of 5% of the estimated annual operating expenses as set out in the interim budget multiplied by the number of years or partial years since deposit of the Strata Plan, and 25% of the estimated annual operating expenses as set out in the interim budget.

The interim budget includes a contingency reserve fund of 5% of the estimated operating expenses. The contingency reserve fund will be increased to 10% of the estimated operating expenses after the first annual general meeting of the Strata Corporation and is required to be at least 10% each year until the contingency reserve fund is at least equal to 25% of the estimated operating expenses, at which time the Strata Corporation may approve a different amount. The contingency reserve fund belongs to the Strata Corporation and accordingly the Developer must not use any money in the contingency reserve fund to pay Strata Corporation expenses.

- (d) Common Expenses – The following utilities and services will be paid for by the Strata Corporation, and their cost will be pro-rated to the owners of the Units and included in their monthly assessment:
- Water, sewer, electricity and propane gas used in and for the Units, and where applicable, the Common Property/facilities
 - Parking lot maintenance including snow removal
 - Building and fire insurance for the Development

- Common area liability insurance
- Strata management and administration fees and costs
- Garbage and recycling collection for the Units

together with other costs for the repair and maintenance of the common property and common assets of the Strata Corporation. All such common expenses will be prorated to the owners of the Units on an equal basis in accordance with their respective unit entitlements.

Notwithstanding the above, the Developer is in the process of having separate meters installed for the use of electricity whereby the Strata Corporation will still receive and pay for the use of all such electricity, but will allocate the cost thereof to each Unit based on the actual metered usage of such electricity by such Unit rather than in accordance with each Unit's respective unit entitlement.

- (e) Unit Expenses – The following utilities used by a Unit will be separately metered and/or assessed to such Unit and are the responsibility of the Unit owner:

- Cablevision/Internet
- Telephone
- Electricity (as assessed to each Unit as set out in Section 3.8(e) above)

- (f) Unit Taxes – Each owner of a Unit will be responsible for real property taxes for such Unit. Property taxes are levied by and payable to the District of Ucluelet at 200 Main Street, Ucluelet, British Columbia V0R 3A0.

3.9 Utilities and Services

The Development is serviced with the following utilities and services:

- (a) **Water** – The Development is serviced with water by a water system provided by the District of Ucluelet.
- (b) **Electricity** – The Development is serviced with electricity by B.C. Hydro and Power Authority. Electricity will be supplied to each Unit on application for and payment of usual application and hookup charges by each purchaser/owner of a Unit to B.C. Hydro and Power Authority.
- (c) **Sewage** – Sanitary sewers and storm sewers have been installed in accordance with the requirements of the District of Ucluelet.
- (d) **Propane Gas** – The Development is serviced with propane gas located in the large propane tank forming part of the Common Property/facilities. The propane tank will be refilled as and when required by the Strata Corporation. The costs of the propane will be assessed to the owners of the Units and included in their monthly assessment, pursuant to Section 3.8(d) hereof.

- (e) **Fire Protection** -- There is fire protection for the Development provided by the District of Ucluelet. Fire protection facilities are located approximately one km from the Development.
- (f) **Telephone** -- The Development is currently serviced with telephone, cable and internet service by Telus. Telephone/cable/internet service will be supplied to any Unit on application for and payment of usual application and hookup charges by each purchaser/owner of a Unit to Telus.
- (g) **Access** -- Access to the Development is directly off Boardwalk Boulevard.

3.10 Strata Management Contracts

The Developer will cause the Strata Corporation to enter into a limited financial services management contract for the management of the financial operations and obligations of the Strata Corporation (including payment of expenses and assessment and collection of monthly maintenance fees) with Ardent Properties Inc. (Attention: Christine Brice), but does not intend to cause the Strata Corporation to enter into a full service Strata Management Contract for the overall management of the Strata Corporation (including control, management and administration of the Common Property).

Pursuant to Section 24 of the *Strata Property Act*, any such management contract will terminate automatically four weeks after the date of the second annual general meeting of the Strata Corporation unless the Strata Corporation, by majority vote at the second annual general meeting, resolves to continue the contract. Any such management contract may also be terminated at any time on two months' notice:

- (a) By the Strata Corporation, if the cancellation is approved by a three-quarter vote at a meeting of the Strata Corporation; or
- (b) By the Strata Manager.

3.11 Insurance

- (a) The Developer has arranged for the Strata Corporation to take out the following insurance coverage as required under the *Strata Property Act* (the cost of which is included in the interim budget of the Strata Corporation attached as Exhibit "D"):
 - (i) Liability insurance in the amount of \$2,000,000 to insure the Strata Corporation against liability for property damage and bodily injury; and
 - (ii) Insurance against major perils (as defined in the Regulations to the Act) on the basis of full replacement value of the following assets:
 - (A) the common property of the Strata Corporation;
 - (B) the common assets of the Strata Corporation;

- (C) any buildings shown on the Strata Plan for the Development; and
 - (D) fixtures (as defined by the Regulations to the Act) built or installed on any Unit by the Developer as part of the original construction.
- (b) Each purchaser will be responsible for insuring personal property and insuring against third party liability within his or her own Unit when the transfer of title from the Developer is completed.

3.12 Rental Disclosure Statement

The Developer intends to offer all of the Units for sale under this Disclosure Statement, and does not intend to rent any of the Units for use as personal residences (although as set out in this Disclosure Statement, each of the Units is currently used for short-term commercial tourism rentals). Accordingly a Form J (Rental Disclosure Statement) under the Act will not need to be filed with the Superintendent of Real Estate.

3.13 Interest Upon Destruction/Distribution of Strata Corporation's Assets on Winding-Up

The voluntary winding-up of the Strata Corporation in the case of the destruction of the Development, in whole or in part, or for any other reason, requires a unanimous resolution of the Strata Corporation and the approval of the Registrar of the Land Title Office in accordance with Section 278(1)(f) of the Act. Upon the winding-up of the Strata Corporation and cancellation of the Strata Plan, each Unit Owner would become a tenant-in-common, with each other owner, of all of the lands within the Strata Plan, land owned by the Strata Corporation but not shown on the Strata Plan and personal property held by or on behalf of the Strata Corporation. Each Unit Owner's proportionate share would be calculated on the basis of the most recent assessed value of the Units (other than any owned by the Strata Corporation) and such owner's interest would be determined on the basis of the following formula:

Most recent assessed value of an owner's Unit
Most recent assessed value of all the Units
in the Development excluding any lots held by or
on behalf of the Strata Corporation.

If there is no assessed value for any Unit in the Development, an appraised value that has been determined by an independent appraiser and that is approved by resolution passed by a ¾ vote at an annual or special general meeting of the Strata Corporation may be used in place of the assessed value for the purposes of the above formula.

4. **TITLE AND LEGAL MATTERS**

4.1 Legal Description

The Development is located on lands which are legally described as follows:

District of Ucluelet
Strata Lots 1 – 6 (inclusive) Section 21
Clayoquot District Strata Plan EPS5494
together with an interest in the Common Property in proportion to the unit
entitlement of the Strata Lots as shown on Form 1.

4.2 Ownership

Lougheed Enterprises Ltd. is the legal and beneficial owner of the Lands.

4.3 Existing Encumbrances and Legal Notations

- (a) Existing Non-Financial Encumbrances – There are currently registered against title to the Lands the following non-financial encumbrances:
- (i) A legal notation that title may be affected by a permit under Part 26 of the *Municipal Act*, See EM74898;
 - (ii) A legal notation that title may be affected by a Permit under Part 26 of the *Local Government Act*, See EP72963;
 - (iii) A legal notation that title may be affected by a Permit under Part 26 of the *Local Government Act*, See FB214386;
 - (iv) A Covenant registered in favour of the Corporation of the Village of Ucluelet under Registration No. EL10310 requiring the previous owner of the Lands to construct certain municipal works and services prior to the Lands being occupied;
 - (v) A Covenant registered in favour of the Corporation of the Village of Ucluelet under Registration No. EL10358 for the purpose of restricting the building of any improvements or the removal of any vegetation within 15.0 metres of the natural boundary of the sea;
 - (vi) A Covenant registered in favour of the Corporation of the Village of Ucluelet under Registration No. EL10360 restricting any development on the Lands without the owner of such Lands granting the Corporation of the Village of Ucluelet a Statutory Right of Way over a portion of the Lands for the purpose of constructing and maintaining a municipal watermain and a Statutory Right of Way over a portion of the Lands for the purpose of constructing and maintaining a paved bicycle path;
 - (vii) A Covenant registered in favour of the District of Ucluelet under Registration No. EL127584 for the purpose of restricting the occupation of certain lands (including the Lands) prior to the completion of certain works by the previous owner/developer of such lands;

- (viii) A Statutory Right-of-Way in favour of the District of Ucluelet under Registration No. EM45645 for the purpose of constructing and maintaining a public pathway on a portion of the Lands; and
- (ix) A Statutory Right-of-Way in favour of the District of Ucluelet under Registration No. CA7096392 for the purpose of constructing and maintaining a public pathway on a portion of the Lands.
- (b) Existing Financial Encumbrances – There are no financial encumbrances registered against title to the Lands.

4.4 Proposed Encumbrances

- (a) Proposed Non-Financial Encumbrances – The Developer does not intend to register against title to the Lands any other non-financial encumbrances.
- (b) Proposed Financial Encumbrances – The Developer does not propose or anticipate any further financial encumbrances being registered against title to the Lands.

4.5 Outstanding or Contingent Litigation or Liabilities

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

4.6 Environmental Matters

- (a) Changes From Natural State – There have been no changes from the natural state on the Lands or in any of the Units comprising the Development other than normal clearing at the time of original construction.
- (b) Flooding Dangers – Based on a physical examination of the Lands and after conferring with the District of Ucluelet, the Developer is not aware of any flooding danger to the Lands.
- (c) Condition of Soil and Sub-Soil and Environmental Hazards – The Developer is not aware of any dangers or any requirements imposed by the District of Ucluelet or any other governmental authority connected with the Development in respect of the condition of the soil or sub-soil nor is the Developer aware of any other environmental hazard pertaining to the Lands.

5. **CONSTRUCTION AND WARRANTIES**

5.1 Construction Dates

Construction of the Building was completed in March 2011.

5.2 Warranties

The Development is not covered by any construction or equipment warranties. In particular, neither the Building nor any of the Units will be covered by any warranties offered under the *Home Owner Protection Act*.

5.3 Previously Occupied Building

Construction of the Building was completed in March 2011 and the Units have been used as short-term commercial tourist accommodation rental units as more particularly set out in Section 2.1(a) since such construction.

The requirements of Section 242 of the Act have been met by the Developer as shown by the District of Ucluelet's endorsement of the Strata Plan.

The Building is in good condition for its age and is structurally sound. Any minor defects in the condition of the Building are consistent with the Building's age and normal weathering. The Developer has retained the services of Accurate Home Inspections for an inspection report on the condition of the Building, and a copy of their updated building inspection report in this regard is attached hereto as Exhibit "E". As set out in such updated report, minor deficiencies previously noted by the building inspector have now been rectified by the Developer at its cost. The Developer is aware of previous water leakage issues within the Building as a result of the nature of the Ucluelet water system and its effect on the copper plumbing fittings used in the original construction of the Building. All such previous water leaks have been repaired by the Developer, and the Developer has taken reasonable steps to replace such copper plumbing fittings where possible. In addition, the Developer has voluntarily agreed to contribute the additional sum of \$25,000 to the Strata Corporation's contingency reserve fund in order to assist with any future similar water leakage issues which may arise.

6. **APPROVAL AND FINANCES**

6.1 Development Approval

As the Development consists of previously completed and occupied Units, development approval was not required from the District of Ucluelet. The District of Ucluelet's approval of the conversion of the Units into strata lots under the Act is evidenced by the District of Ucluelet's endorsement of the Strata Plans.

6.2 Construction Financing

As the construction of the Development is complete, there is no construction financing.

7. MISCELLANEOUS

7.1 Deposits

All monies received from a purchaser or lessee shall be held in trust by the Developer's Agent, RE/MAX Mid-Island Realty (Attention: Judy Gray), in the manner required by the *Real Estate Development Marketing Act*.

All monies received from a purchaser as lessee shall be held in trust until the Unit purchased or leased is capable of being occupied and an instrument evidencing the interest of the purchaser or lessee in the Unit has been registered in the Land Title Office.

7.2 Purchase Agreement

- (a) The Developer will generally use the standard form of Contract of Purchase and Sale designed by the B.C. Real Estate Association and the Canadian Bar Association (B.C. Branch) (the "Purchase Agreement");
- (b) The Purchase Agreement does contain provisions allowing for termination of the Purchase Agreement. The Developer may terminate the Purchase Agreement if a purchaser does not pay any deposits or the balance of the purchase price when due; and
- (c) The Purchase Agreement (and in particular Section 20A thereof) does contain provisions with respect to the assignment of the Purchase Agreement to a new purchaser.

Without the Developer's prior consent, any assignment of the Residential Purchase Agreement is prohibited. An assignment under the *Real Estate Development Marketing Act* is a transfer of some or all of the rights, obligations and benefits under a purchase agreement made in respect of a strata lot in a development property, whether the transfer is made by the purchaser under the purchase agreement to another person or is a subsequent transfer.

Each proposed party to an assignment agreement **must** provide the Developer with the information and records required under the *Real Estate Development Marketing Act*.

Before the Developer consents to an assignment of a Purchase Agreement, the Developer will be required to collect information and records under the *Real Estate Development Marketing Act* from each proposed party to an assignment agreement, including personal information, respecting the following:

- (i) the party's identity;
- (ii) the party's contact and business information;
- (iii) the terms of the assignment agreement.

Information and records collected by the Developer must be reported by the Developer to the administrator designated under the *Property Transfer Tax Act*. The information and records may be used or disclosed for tax purposes and other purposes authorized by Section 20.5 of the *Real Estate Development Marketing Act*, which includes disclosure to the Canada Revenue Agency.

In addition to, and without limiting, the above the Purchase Agreement contains the following provisions with respect to any assignment of the Purchase Agreement to a new purchaser:

- (i) the Developer shall be entitled to any profit resulting from an assignment of the Purchase Agreement by the purchaser or any subsequent assignee;
 - (ii) it will be a further condition of any such consent that the purchaser has provided the Developer with all information in respect of the purchaser, the proposed assignee and any other party in connection with its consent to such assignment necessary in order for the Developer to consider the request, together with all information and records required by, and necessary to enable the Developer to comply with, the requirements of the *Real Estate Development Marketing Act*; and
 - (iii) the purchaser, the proposed assignee and any other applicable party must execute and deliver to the Developer an assignment and assumption agreement satisfactory to the Developer in form and content.
- (d) The Purchase Agreement does not provide that any interest on any deposit monies will accrue to the credit of either the Purchaser or Developer.

7.3 Developer's Commitments

The Developer has contracted with Go Cabins Vacation Property Management Inc. (the "Rental Manager") for short-term rentals of the Units through to January 1, 2022, and any purchaser of a Unit will be required to assume and honour such rental commitments and the Developer's existing contract with the Rental Manager with respect to same. Except as aforesaid, the Developer has not made any specific commitment in regards to the Development except as set out in this Disclosure Statement.

7.4 Developer Marketing and Access

The Developer and its agent shall be entitled to place and keep on the Common Property for so long as the Developer and its agent continues to market any Unit in the Development such signage as the Developer or its agent requires in its absolute discretion. The Developer shall also be entitled to utilize the common parking areas and/or any visitor parking stalls until such time as all of the Units in the Development have been sold by the Developer.

7.5 Other Material Facts

The short-term rental of the Units by the Developer is managed by the Rental Manager on the Developer's behalf. Each purchaser of a Unit will be required to assume such rental management contract with the Rental Manager for those existing rental commitments for such Unit referred to in Section 7.3 hereof. However thereafter each purchaser of a Unit will have the option, in his, her or their sole discretion, to continue such rental management arrangement with the Rental Manager or to make other arrangements for the short-term rentals of the Units. Save as aforesaid or as otherwise set out in this Disclosure Statement, there are no other material contracts or facts affecting the Development.

8. **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 JULY 20, 2021.

SIGNED BY THE DEVELOPER:

LOUGHEED ENTERPRISES LTD.

Per:



Ross Elliott, Director
Authorized Signatory

July 20, 2021



Dolores Elliott, Director
Authorized Signatory

July 20, 2021



Allen Loughheed, Director
Authorized Signatory

July 20, 2021



Brian Loughheed, Director
Authorized Signatory

July 20, 2021

**SIGNED BY THE DIRECTORS OF THE DEVELOPER
IN THEIR PERSONAL CAPACITY**



Ross Elliott

July 20, 2021



Dolores Elliott

July 20, 2021



Allen Loughheed

July 20, 2021



Brian Loughheed

July 20, 2021

Strata Plan of Parcel A (being a Consolidation of Lots 2 and 3, see CA7052591), Section 21, Clayoquot District, Plan VIP66186

BCGS 92C.093

EXHIBIT "A"

Sheet 1 of 4 Sheets

Strata Plan EPS5494



The intended plot size of this plan is 432mm in width by 290mm in height (C size) when plotted at a scale of 1:200.

Datum: NAD83(GRS) 2011 ILM
 UTM Zone 10 coordinates
 UTM Northing: 5,422,847.035
 UTM Easting: 314,182.030
 Estimated absolute accuracy: 0.05

Civic Address:
 303 Seaside Boulevard
 Ucluelet, B.C.

LEGEND

Grid bearings are derived from single frequency differential GNSS observations and are related to the control meridian of UTM Zone 10.

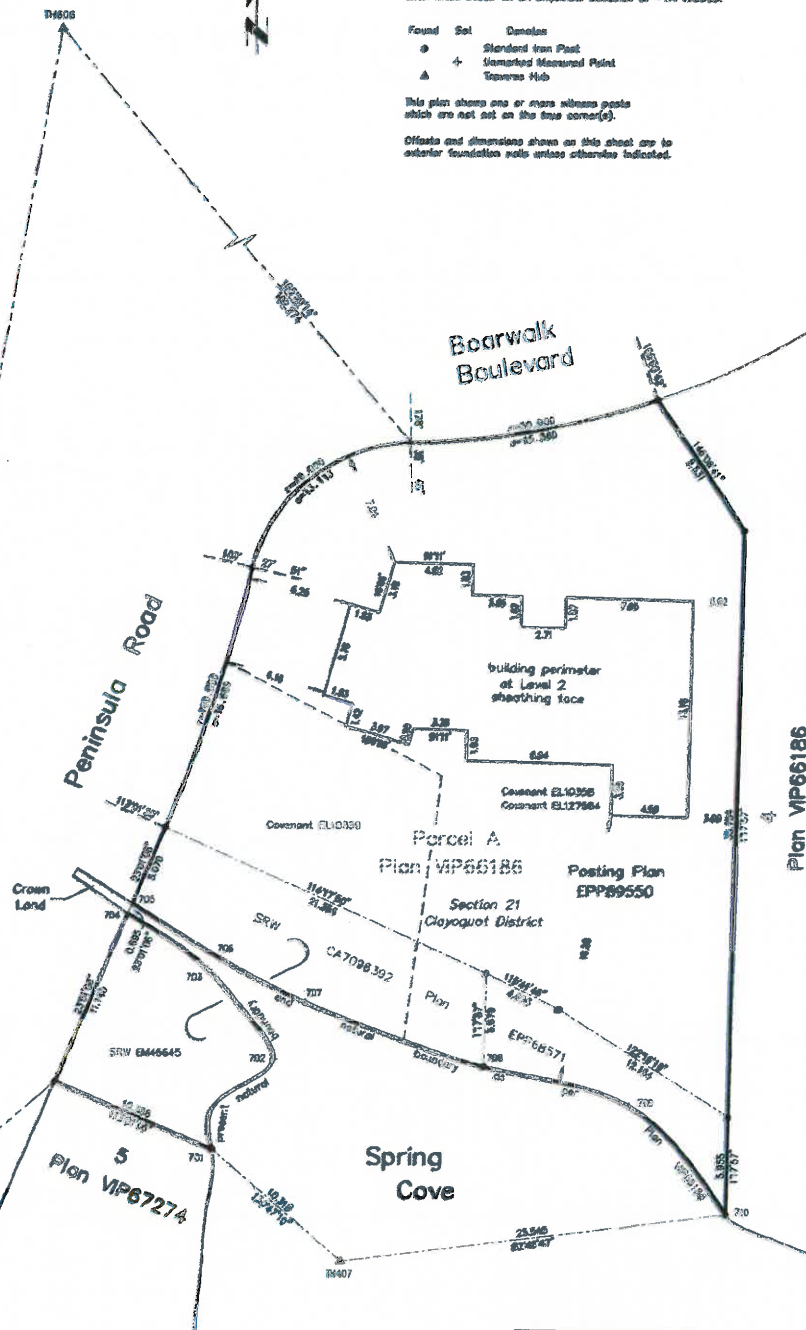
The UTM coordinates and estimated absolute accuracy achieved are derived from single frequency baseline ties to Canadian Active Control Station 'UCLU'.

This plan shows horizontal ground-level distances unless otherwise specified. To compute grid distances, multiply ground-level distances by the average combined factor of 1.00002842. The average combined factor has been determined based on an ellipsoidal elevation of -1.4 metres.

Found: Set: Dangles
 • Standard Iron Post
 + Unmarked Measured Point
 Δ Topographic Hub

This plan shows one or more witness points which are not set on the true corner(s).

Offsets and dimensions shown on this sheet are to exterior foundation walls unless otherwise indicated.



Natural Boundary Ties

From - To	Bearing	Distance
487 - 701	310°47'40"	10.316
487 - 702	301°20'37"	12.818
487 - 703	310°25'24"	9.446
487 - 704	328°12'23"	24.754
487 - 705	329°34'01"	23.382
487 - 706	335°14'59"	16.771
487 - 707	351°57'38"	18.886
487 - 708	35°44'52"	14.854
487 - 709	81°13'58"	18.817
487 - 710	82°48'47"	23.545

The building included within this Strata Plan has been previously occupied.

The buildings shown hereon are within the external boundaries of the land that is the subject of this Strata Plan.

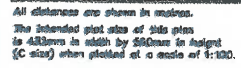
This plan lies within the District of Ucluelet and within the Alberni-Clayoquot Regional District.

Datum: NAD83(GRS) 2011 ILM
 UTM Zone 10 coordinates
 UTM Northing: 5,422,858.332
 UTM Easting: 314,183.948
 Estimated absolute accuracy: 0.05

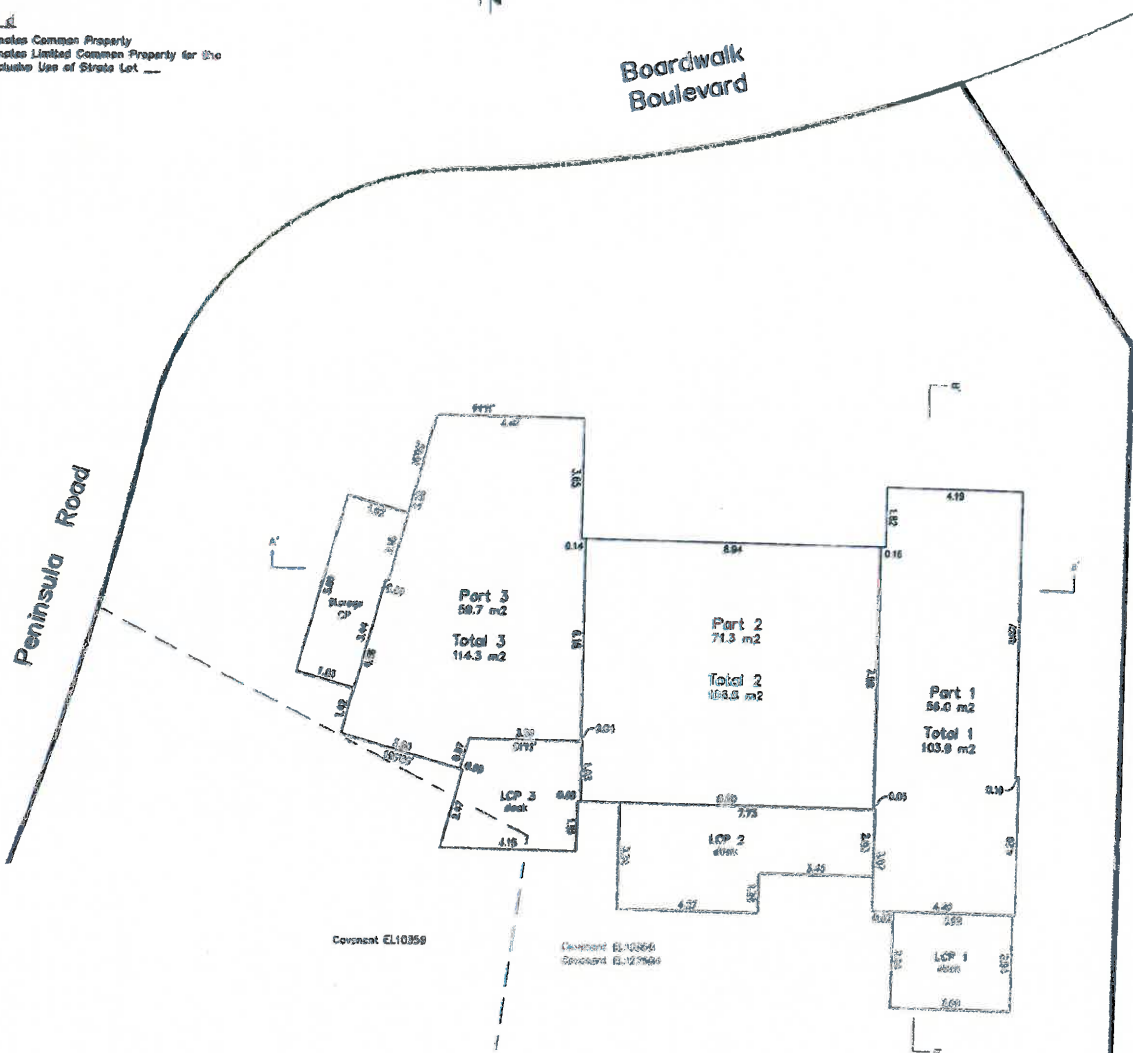
File: 28047
 Drawing: STRATA
 POWELL & ASSOCIATES
 B.C. Land Surveyors
 258-2850 Douglas Street
 Victoria, B.C. V8T 4M4
 phone (250) 383-8855

The field survey represented by this plan was completed on the 3rd day of December, 2018.
 James Morton, BCLS 757

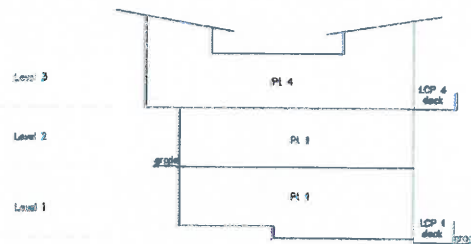
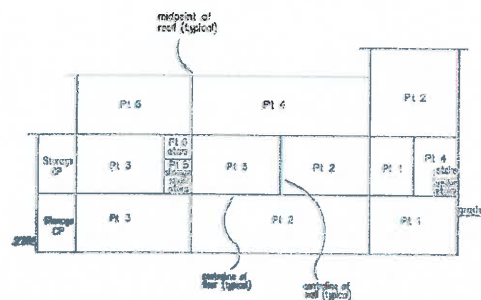
Sheet 2 of 4 Sheets
Strata Plan EPS5494



CP - denotes Common Property
LCP - denotes Limited Common Property for the Exclusive Use of Strata Lot ____



Building Section B'-b'



All angles defect by multiples of 90 degrees unless otherwise indicated.

This chart shows strata lot boundary dimensions to the midpoint of the structural portion of exterior walls and the midpoint between structural portions of party walls between strata lots.

All police and bailiffs are defined as to height by the centre of the floor above, or its extensions or where there is no floor above by the average height of a strata lot within the same building unless otherwise indicated.

James Werten, BCLS
December 5, 2018

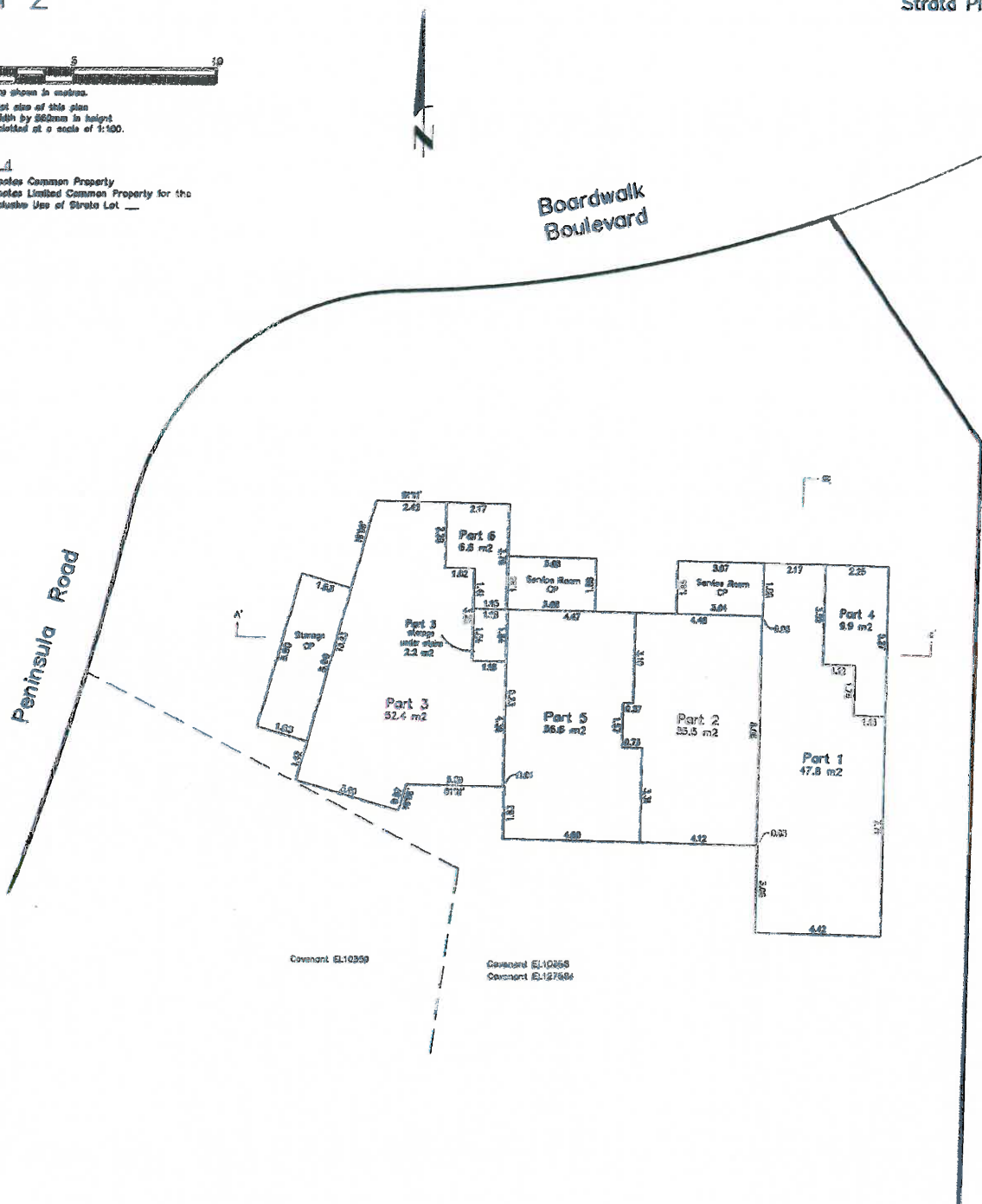
Level 2

Sheet 3 of 4 Sheets
Strata Plan EPS5494

All distances are shown in metres.
The intended plot size of this plan is 432mm in width by 562mm in height (C size) when plotted at a scale of 1:100.

Legend

CP - denotes Common Property
LCP - denotes Limited Common Property for the Exclusive Use of Strata Lot



All angles defect by multiples of 90 degrees unless otherwise indicated.

This sheet shows strata lot boundary dimensions to the midpoint of the structural portion of exterior walls and the midpoint between structural portions of party walls between strata lots.

All patios and balconies are defined as to height by the centre of the floor above, or its extensions or where there is no floor above by the average height of a strata lot within the same building unless otherwise indicated.

Level 3

Sheet 4 of 4 Strata
Strata Plan EPS5494

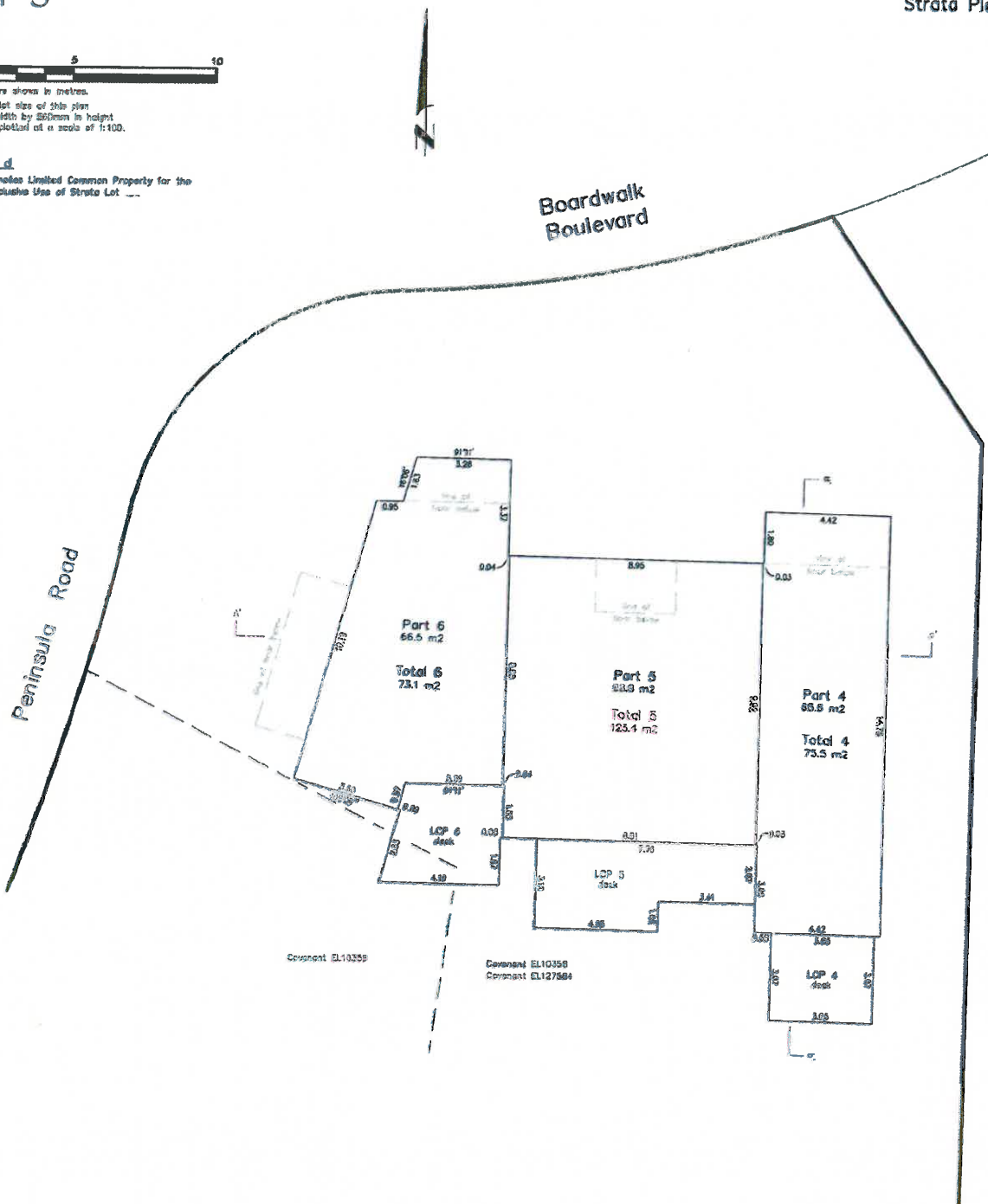
0 1 5 10

All distances are shown in metres.

The intended plot size of this plan is 432mm in width by 560mm in height (C size) when plotted at a scale of 1:100.

Legend

LCP -- denotes Limited Common Property for the Exclusive Use of Strata Lot ---



Covenant EL10358

Covenant EL10358
Covenant EL127584All angles defect by multiples of 90 degrees
unless otherwise indicated.POWELL & Associates
3 C Land Surveyors
File: 10947This sheet shows strata lot boundary
dimensions to the midpoint of the structural
portion of exterior walls and the midpoint
between structural portions of party walls
between strata lots.All poles and balconies are defined as to height
by the centre of the floor above, or its extensions
or where there is no floor above by the average
height of a strata lot within the same building
unless otherwise indicated.James Horton, BCLS
December 5, 2018

EXHIBIT "B"

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

Re: Strata Plan EPS5494
being a strata plan of PID: 030-559-022

Parcel A (being consolidation of Lots 2 and 3, See CA7052591), Section 21, Clayoquot District,
Plan VIP66188

STRATA PLAN CONSISTING ENTIRELY OF RESIDENTIAL STRATA LOTS

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

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

CERTIFICATE OF BRITISH COLUMBIA LAND SURVEYOR

I, James Worton, a British Columbia Land Surveyor, certify that the following table reflects the habitable area of each residential strata lot.

Date: 12 7 2018 (month, day, year)


Signature

- OR ☐ b) a whole number that is the same for all of the residential strata lots as set out in section 246 (3) (a) (ii) of the Strata Property Act.
- OR ☐ c) a number that is approved by the Superintendent of Real Estate in accordance with section 246 (3) (a) (iii) of the Strata Property Act.

Signature of Superintendent of Real Estate

Strata Lot No.	Sheet No.	Habitable Area in m2	Unit Entitlement	% of Total Unit Entitlement of Strata Lots **
1	2,3	103.8	104	17.42
2	2, 3	106.8	107	17.92
3	2, 3	112.1	112	18.76
4	3, 4	75.5	76	12.73
5	3, 4	125.4	125	20.94
6	4	73.1	73	12.23
Total Number of Strata Lots			Total Unit Entitlement	
6			697	

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

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

Date: 12 7 2018 (month, day, year)

Signature of Owner/Developer

Signature of Superintendent of Real Estate
(If submitted under Section 264 of the Act)

EXHIBIT "C"

Strata Property Act

FORM I

AMENDMENT TO BYLAWS

(Section 128)

The Owners, Strata Plan LMS229, certify that the attached amendments to the bylaws of the strata corporation were approved by a unanimous resolution passed in accordance with Section 128 of the *Strata Property Act* at an annual or special general meeting held on July 7, 2021.

.....

Signature of Council Member

.....

Signature of Second Council Member (not required if council consists of only one member)

* Section 128 (2) of the Act provides that an Amendment to Bylaws must be filed in the land title office

The following Bylaws are hereby added to the existing Bylaws of the strata corporation, being the Standard Bylaws under the Strata Property Act:

“Electronic Attendance at Meetings

31. (1) A person who is eligible to vote may attend an annual or special general meeting by electronic means so long as the person and the other participants can communicate with each other.
- (2) If an annual or special general meeting is held by electronic means with a person, the person is deemed to be present in person for the purpose of the meeting.
- (3) Despite this Bylaw 31, in the event that an eligible voter attends an annual or special general meeting by electronic means, the strata corporation has no obligation to make for provision for a secret ballot for that particular voter.

Smoking

32. (1) All buildings and lands that comprise the strata plan are strictly non-smoking and smoking is prohibited in all areas, including but not limited to:
- (a) each strata lot
 - (b) on common property, including limited common property;
 - (c) in or around recreational and common facilities;
 - (d) on patios and balconies;
 - (e) in parking areas, stairs, storage areas and recreational areas; and
 - (f) such places as further set out in the *Tobacco and Vapour Products Control Act* (British Columbia) and the *Tobacco and Vapour Products Control Regulation* (British Columbia), as each may be amended or replaced from time to time.
- (2) For the purposes of this Bylaw 32, the term “smoking” includes but is not limited to:
- (a) inhaling, exhaling, burning or carrying a lighted cigarette, cigar, pipe, hookah pipe, electronic cigarette, vaporizer or other smoking equipment/appliance that burns or vaporizes tobacco or any other substances;
 - (b) burning or carrying a lighted cigarette, cigar, pipe, hookah pipe, or other lighted smoking equipment that burns tobacco or any other substances;
 - (c) the burning, combusting and/or vaporizing or:
 - (i) tobacco of any type;
 - (ii) any plant, plant product or by-product;

(iii) any drugs or pharmaceuticals including but not limited to cannabis, cocaine, crack cocaine, hashish, methamphetamines, heroin or any other controlled substances as defined in the *Controlled Drugs and Substances Act* (British Columbia) as may be amended or replaced from time to time; and

(iv) e-liquids or other substances used in vapourizers, electronic-cigarettes or similar appliances which allow for the inhalation of vapour of atomized liquids or substances.

Cannabis

33. (1) An owner, occupant or visitor of a strata lot is prohibited from growing, cultivating, harvesting, manufacturing, selling or distributing cannabis/marijuana/hemp ("Cannabis") or Cannabis products anywhere within the buildings and lands that comprise the strata plan including the following areas:

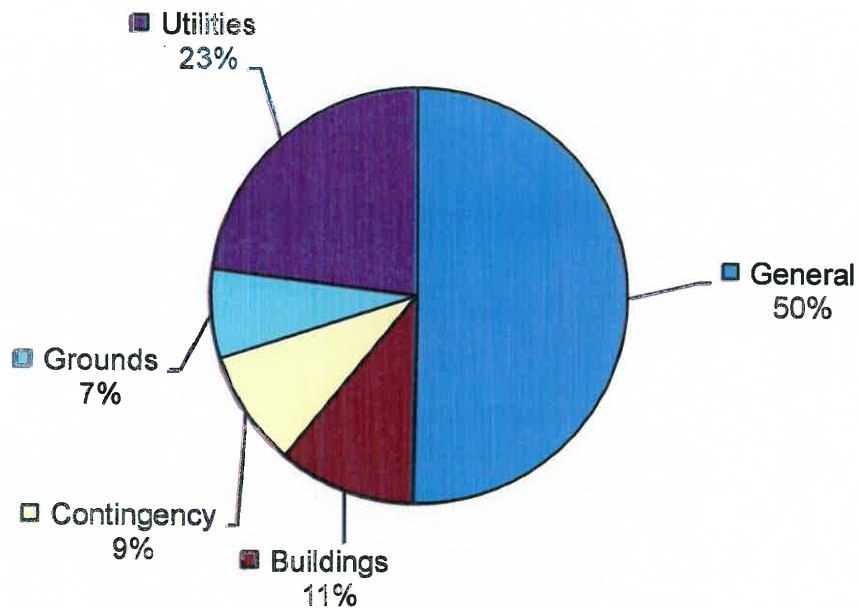
- (a) each strata lot;
- (b) any common property of the strata corporation including parking areas, stairways, service rooms and stairs;
- (c) any limited common property;
- (d) any balcony, patio or deck; and
- (e) any exterior common property.

(2) An owner shall indemnify and save harmless the strata corporation from any direct or indirect expenses incurred by the strata corporation for the maintenance, repair and replacement rendered necessary to the common property, limited common property, common assets or to any strata lot (including the owner's own strata lot) as a result of damage arising from growing, cultivating, harvesting, manufacturing, selling or distributing Cannabis or Cannabis products within such owner's strata lot or on the common property, limited common property, common assets or anywhere within the building or lands of the strata corporation, but only to the extent that such expense is not reimbursed from the proceeds received by operation of any insurance policy held by the strata corporation. In such circumstances, any insurance deductible paid or payable by the strata corporation shall be considered an expense not covered by the proceeds received by the strata corporation as insurance coverage and will be charged to the owner, pursuant to section 158(2) of the *Strata Property Act* (British Columbia).

(3) An owner shall indemnify and save harmless the strata corporation for any legal costs incurred by the strata corporation, on a solicitor and own client basis, for enforcement of the strata corporation's bylaws as a direct or indirect result of such owner cultivating, harvesting, manufacturing, selling or distributing Cannabis or Cannabis products in violation of this Bylaw 33."

EXHIBIT "D"

**The Cove
Strata Plan EPS 5494
Disclosure Statement Budget**



**ARDENT PROPERTIES INC.
THE COVE STRATA PLAN EPS 5494
DISCLOSURE STATEMENT BUDGET**

OPERATING FUND	Draft Budget
INCOME	
Operating Fund	
Operating assessments	\$ 39,237.00
Interest	\$ -
Other	\$ -
Contingency Fund	
Contingency Assessments	\$ 3,923.80
Interest	\$ -
Special Levies	
Levy	\$ -
TOTAL INCOME	<u>\$ 43,160.80</u>
EXPENSES	
General	
Accounting / Legal	\$ 300.00
Administration	\$ 300.00
Strata management	\$ 7,797.00
Insurance/appraisal	\$ 13,200.00
Other	\$ 120.00
Building	
Exterior	\$ 2,100.00
Interior	\$ -
Windows and doors repair	\$ 300.00
Fire Safety	\$ 900.00
Mechanical	\$ 600.00
Roof	\$ 300.00
Pest control	\$ 300.00
Security	\$ -
Other	\$ 120.00
Utilities	
Electricity	\$ 300.00
Propane	\$ 6,000.00
Refuse Removal	\$ 2,400.00
Water/Sewer	\$ 1,200.00
Grounds	
Irrigation Maint.	\$ -
Landscaping Maint.	\$ 1,200.00
Landscaping Trees / shrubs:	\$ 300.00
Lighting Equip. Maint.	\$ 300.00
Road/Sidewalk Repair	\$ 600.00
Snow Clearing	\$ 600.00
Water/Sewer Maint.	\$ -
Other	\$ -
TOTAL OPERATING EXP	<u>\$ 39,237.00</u>
Contingency fund	
Contingency fund assessments	\$ 3,923.80
Interest	\$ -
Special levy fund	
Special levy assessments	\$ -
TOTAL EXPENSES	<u>\$ 43,160.80</u>

ARDENT PROPERTIES INC.
THE COVE STRATA PLAN EPS 5494
DISCLOSURE STATEMENT BUDGET

OPERATING FUND

INCOME	MTH 1	MTH 2	MTH 3	MTH 4	MTH 5	MTH 6	MTH 7	MTH 8	MTH 9	MTH 10	MTH 11	MTH 12	TOTAL
Operating assessments	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 39,237.00
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INCOME	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 39,237.00
EXPENSES													
General													
Accounting / Legal	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00
Administration	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00
Strata management	\$ 649.75	\$ 649.75	\$ 649.75	\$ 649.75	\$ 649.75	\$ 649.75	\$ 649.75	\$ 649.75	\$ 649.75	\$ 649.75	\$ 649.75	\$ 649.75	\$ 7,797.00
Insurance/appraisal	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 1,100.00	\$ 13,200.00
Other	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 120.00
Building													
Exterior	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 175.00	\$ 2,100.00
Interior	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Windows and doors repair	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00
Fire Safety	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 75.00	\$ 900.00
Mechanical	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 600.00
Roof	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00
Pest control	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00
Security	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 120.00
Utilities													
Electricity	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00
Propane	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 6,000.00
Refuse Removal	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 2,400.00
Water/Sewer	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 1,200.00
Grounds													
Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Irrigation Maint.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Landscaping Maint.	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 1,200.00
Landscaping Trees / shrubs:	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00
Lighting Equip. Maint.	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00
Road/Sidewalk Repair	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 600.00
Snow Clearing	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 600.00
Water/Sewer Maint.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 3,269.75	\$ 39,237.00
OPERATING SURPLUS (DEFICIT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CONTRINGENCY FUND	contribution rate	10.00%
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EPS 5494 draft budget

UE

**ARDENT PROPERTIES INC.
THE COVE STRATA PLAN EPS 5494
DISCLOSURE STATEMENT BUDGET**

Strata Lot #	Unit number	Unit Entitlement	Operating Fee	Contingency Fund Fees	Monthly Fee
1		104	\$ 569.60	\$ 56.96	\$ 626.56
2		107	\$ 586.04	\$ 58.61	\$ 644.65
3		112	\$ 613.42	\$ 61.34	\$ 674.76
4		76	\$ 416.25	\$ 41.63	\$ 457.88
5		125	\$ 684.62	\$ 68.46	\$ 753.08
6		73	\$ 399.82	\$ 39.98	\$ 439.80
		597	\$ 3,269.75	\$ 326.98	\$ 3,596.73
			\$ 39,237.00	\$ 3,923.76	\$ 43,160.76

EXHIBIT "E"



Inspection Report

Lougheed Properties Ltd.

Property Address:
203 Boardwalk Blvd.
Ucluelet B.C.



Accurate Home Inspection

Todd W Flaro
A 2804 14th Ave
Port Alberni, B.C.
V9Y2X5
250-735-0784

Accurate Home Inspection

Properties Ltd.

accuratealberni@gmail.com

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Date: 2021-05-09	Time: 10:38 AM	Report ID: 3148
Property: 203 Boardwalk Blvd. Ucluelet B.C.	Customer: Lougheed Properties Ltd.	Real Estate Professional:

Comment Key or Definitions

The following definitions of comment descriptions represent this inspection report. All comments by the inspector should be considered before purchasing this home. Any recommendations by the inspector to repair or replace suggests a second opinion or further inspection by a qualified contractor. All costs associated with further inspection fees and repair or replacement of item, component or unit should be considered before you purchase the property.

Inspected (IN) = I visually observed the item, component or unit and if no other comments were made then it appeared to be functioning as intended allowing for normal wear and tear.

Not Inspected (NI) = I did not inspect this item, component or unit and made no representations of whether or not it was functioning as intended and will state a reason for not inspecting.

Not Present (NP) = This item, component or unit is not in this home or building.

Repair or Replace (RR), Plumbing Repair or Replace (PR), Electrical Repair or Replace (ER) = The item, component or unit is not functioning as intended or needs further inspection by a qualified contractor. Items, components or units that can be repaired to satisfactory condition may not need replacement.

Style of Home:

6 Rental Units

Age Of Home:

Under 15 Years

Home Faces:

North

Client is Present:

No

Weather:

Cloudy

Temperature:

Below 65

Rain in last 3 days:

Minimal Rain

1. Roofing / Chimneys and Roof Structure / Attic

The home inspector shall observe: Roof covering; Roof drainage systems; Flashings; Skylights, chimneys, and roof penetrations; and Signs of leaks or abnormal condensation on building components. The home inspector shall: Describe the type of roof covering materials; and Report the methods used to observe the roofing. The home inspector is not required to: Walk on the roofing; or Observe attached accessories including but not limited to solar systems, antennae, and lightning arrestors.

	IN	NI	NP	RR	ER	Styles & Materials
1.0 ROOF COVERINGS	•					Roof Covering: 2 Ply Torch On Membrane
1.1 ROOF FLASHING	•					Viewed roof covering from:
1.2 SKYLIGHTS, CHIMNEYS AND ROOF PENETRATIONS	•					Walked roof Ground with binoculars Viewed at edge
1.3 ROOFING DRAINAGE SYSTEMS (gutters and downspouts)	•					Roof-Type: Shed
1.4 ROOF STRUCTURE AND ATTIC ACCESS (Report leak signs or condensation)	•					Chimney (exterior): N/A
1.5 ATTIC INSULATION		•				Sky Light(s): None
1.6 VISIBLE ELECTRIC WIRING IN ATTIC		•				Method used to observe attic: No Attic Attic info: No attic access Attic insulation: Unknown

IN= Inspected, NI= Not Inspected, NP= Not Present, RR= Repair or Replace, ER= Electrical Repair or Replace

Comments:

1.0 Debris from the trees should be cleaned off as regular maintenance. There is some moss at the roof that should be removed with a roof moss spray. This roof should last 10 + more years. NO WARRANTY IMPLIED.

Update: The debris on the roof has been removed as well as the moss.



1.0 Item 1(Picture)



1.0 Item 2(Picture)

1.4 The roof is a shed style. This type of roof does not have an attic area.

The roof of the home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. Roof coverings and skylights can appear to be leak proof during inspection and weather conditions. Our inspection makes an attempt to find a leak but sometimes cannot. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

2. Exterior

The home inspector shall observe: Wall cladding, flashings, and trim; Entryway doors and a representative number of windows; Garage door operators; Decks, balconies, stoops, steps, areaways, porches and applicable railings; Eaves, soffits, and fascias; and Vegetation, grading, drainage, driveways, patios, walkways, and retaining walls with respect to their effect on the condition of the building. The home inspector shall: Describe wall cladding materials; Operate all entryway doors and a representative number of windows; Operate garage doors manually or by using permanently installed controls for any garage door operator; Report whether or not any garage door operator will automatically reverse or stop when meeting reasonable resistance during closing; and Probe exterior wood components where deterioration is suspected. The home inspector is not required to observe: Storm windows, storm doors, screening, shutters, awnings, and similar seasonal accessories; Fences; Presence of safety glazing in doors and windows; Garage door operator remote control transmitters; Geological conditions; Soil conditions; Recreational facilities (including spas, saunas, steam baths, swimming pools, tennis courts, playground equipment, and other exercise, entertainment, or athletic facilities); Detached buildings or structures; or Presence or condition of buried fuel storage tanks. The home inspector is not required to: Move personal items, panels, furniture, equipment, plant life, soil, snow, ice or debris that obstructs access or visibility.

		IN	NI	NP	RR	PR	ER	Styles & Materials
2.0	WALL CLADDING / SIDING, FLASHING AND TRIM	•						Siding Style: Lap Board and Batten
2.1	DOORS (exterior)	•						Siding Material: Cement-Fiber Cedar
2.2	WINDOWS (exterior)	•						Exterior Entry Doors: Insulated glass Metal Insulated
2.3	DECKS, BALCONIES, STOOPS, STEPS, AREAWAYS, PORCHES, PATIO COVER AND APPLICABLE RAILINGS	•						Appurtenance: Sidewalk
2.4	VEGETATION, GRADING, DRAINAGE, DRIVEWAYS, PATIO FLOOR, WALKWAYS AND RETAINING WALLS (With respect to their effect on the condition of the building) As well as insects.	•						Driveway: Gravel
2.5	EAVES, SOFFITS AND FASCIAS	•						Window Types: Thermal/Insulated Metal Clad
2.6	PLUMBING WATER FAUCETS (hose bibs)	•						Perimeter Drains: PVC Piping
2.7	OUTLETS (exterior)	•						
2.8	Perimeter Drains			•				
2.9	Fencing				•			
2.10	SIDE WALKS and Driveway	•						

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IN NI NP RR PR ER

Comments:

2.8 It is beyond the scope of this inspection to fully inspect the perimeter drains because very little is able to be seen from the openings. While the inspector will view as much of the drains as possible, and assess from the openings. This is not a guarantee of the perimeter drains condition. Please remember that your home inspector has your best interest at heart. For a full evaluation contact a qualified plumber and have the drains inspected with a pipeline scope before removing conditions.

The exterior of the home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

3. Kitchen Components and Appliances

The home inspector shall observe and operate the basic functions of the following kitchen appliances: Permanently installed dishwasher, through its normal cycle; Range, cook top, and permanently installed oven; Trash compactor; Garbage disposal; Ventilation equipment or range hood; and Permanently installed microwave oven. The home inspector is not required to observe: Clocks, timers, self-cleaning oven function, or thermostats for calibration or automatic operation; Non built-in appliances; or Refrigeration units. The home inspector is not required to operate: Appliances in use; or Any appliance that is shut down or otherwise inoperable.

		IN	NI	NP	RR	PR	ER	Styles & Materials
3.0	CEILINGS	•						Range/Oven: FRIGIDAIRE
3.1	WALLS	•						Exhaust/Range hood: SAMSUNG
3.2	FLOORS	•						Refrigerator: FRIGIDAIRE
3.3	COUNTERTOPS AND A REPRESENTATIVE NUMBER OF CABINETS	•						Dishwasher Brand: WHIRLPOOL
3.4	PLUMBING DRAINS / VENT SYSTEMS	•						Disposer Brand: NONE
3.5	PLUMBING WATER SUPPLY FAUCETS AND FIXTURES	•						Built in Microwave: SAMSUNG
3.6	OUTLETS AND WALL SWITCHES	•						Cabinetry: Melamine
3.7	DISHWASHER	•						Countertop: Granite
3.8	FRIDGE	•						
3.9	RANGES/OVENS/COOKTOPS	•						
3.10	RANGE HOOD	•						
3.11	FOOD WASTE DISPOSER	•						
3.12	MICROWAVE COOKING EQUIPMENT	•						

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The built-in appliances of the home were inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

4. Rooms

The home inspector shall observe: Walls, ceiling, and floors; Steps, stairways, balconies, and railings; Counters and a representative number of installed cabinets; and A representative number of doors and windows. The home inspector shall: Operate a representative number of windows and interior doors; and Report signs of abnormal or harmful water penetration into the building or signs of abnormal or harmful condensation on building components. The home inspector is not required to observe: Paint, wallpaper, and other finish treatments on the interior walls, ceilings, and floors; Carpeting; or Draperies, blinds, or other window treatments.

		IN	NI	NP	RR	PR	ER	Styles & Materials
4.0	CEILINGS	•						Ceiling Materials: Sheetrock
4.1	WALLS	•						Wall Material: Sheetrock
4.2	FLOORS	•						Floor Covering(s): Tile Vinyl
4.3	STEPS, STAIRWAYS, BALCONIES AND RAILINGS	•						Interior Doors: Hollow core
4.4	DOORS (REPRESENTATIVE NUMBER)	•						
4.5	WINDOWS (REPRESENTATIVE NUMBER)	•						
4.6	OUTLETS AND WALL SWITCHES	•						
4.7	OVERALL WORKMANSHIP.	•						

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IN NI NP RR PR ER

Comments:

4.1 In the mechanical room there is some surface mould. This is caused from this room having higher levels of humidity than normal. A dehumidifier should be run in this area and the mould treated.

Update: Brad from Paul Davis has remediated the mould issue in the electrical room. There are no long term affects on the building or the people.



4.1 Item 1(Picture)

4.7 I could not access #11 At the time of the inspection. There were closets at units 14, 13 and 12 that were locked and not accessible. An evaluation of these areas was not possible. This building has been well maintained.

The interior of the home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. The inspection did not involve moving furniture and inspecting behind furniture, area rugs or areas obstructed from view. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

5. Bathrooms and Components

		IN	NI	NP	RR	PR	ER	Notes
5.0	CEILINGS	•						Exhaust Fans: Fan only
5.1	WALLS	•						
5.2	FLOORS	•						
5.3	COUNTERTOPS AND CABINETS	•						
5.4	DOORS (REPRESENTATIVE NUMBER)	•						
5.5	WINDOWS (REPRESENTATIVE NUMBER)	•						
5.6	PLUMBING DRAIN, WASTE AND VENT SYSTEMS	•						
5.7	PLUMBING WATER SUPPLY, DISTRIBUTION AND FIXTURES				•			
5.8	OUTLETS AND SWITCHES	•						
5.9	EXHAUST FAN	•						

IN= Inspected, NI= Not Inspected, NP= Not Present, RR= Repair or Replace, PR= Plumbing Repair or Replace, ER= Electrical Repair or Replace

IN NI NP RR PR ER

Comments:

5.4 At unit 16 the bathroom door is damaged. Recommend repairing or replacing.

Update: The door has been replaced



5.4 Item 1(Picture)

5.5 The interior by pass windows that separate the bathroom and the bedroom ar missing for unit 14.

Update. New glass panels have been installed and completed.



5.5 Item 1(Picture)

5.7 All of the jetted tubs should be treated with a chemical before using. The chemical treatment will remove all particulates in the piping.



5.7 Item 1(Picture)

6. Structural Components

The Home Inspector shall observe structural components including foundations, floors, walls, columns or piers, ceilings and roof. The home inspector shall describe the type of Foundation, floor structure, wall structure, columns or piers, ceiling structure, roof structure. The home inspector shall: Probe structural components where deterioration is suspected; Enter under floor crawl spaces, basements, and attic spaces except when access is obstructed, when entry could damage the property, or when dangerous or adverse situations are suspected; Report the methods used to observe under floor crawl spaces and attics; and Report signs of abnormal or harmful water penetration into the building or signs of abnormal or harmful condensation on building components. The home inspector is not required to: Enter any area or perform any procedure that may damage the property or its components or be dangerous to or adversely effect the health of the home inspector or other persons.

		IN	NI	NP	RR	Styles & Materials
6.0	FOUNDATIONS, BASEMENTS AND CRAWLSPACES (Report signs of abnormal or harmful water penetration into the building or signs of abnormal or harmful condensation on building components.)	•				Foundation: Poured concrete Method used to observe
6.1	WALLS (Structural)	•				Crawlspace: No crawlspace
6.2	COLUMNS OR PIERS	•				Floor Structure: 2 X 10 Wood joists
6.3	FLOORS (Structural)	•				Floor System Insulation: Not Visible
6.4	CEILINGS (structural)	•				Wall Structure: 2 X 4 Wood 2 X 6 Wood
6.5	INSULATION UNDER FLOOR SYSTEM		•			Columns or Piers: Concrete piers
6.6	VAPOR RETARDERS (ON GROUND IN CRAWLSPACE OR BASEMENT)	•				
6.7	VENTILATION OF FOUNDATION AREA (crawlspace or basement)	•				
6.8	Crawlspace access			•		
6.9	Pests and or Rodents			•		
		IN	NI	NP	RR	

IN= Inspected, NI= Not Inspected, NP= Not Present, RR= Repair or Replace

Comments:

6.9 There were no visible signs of rodents or pests at the time of the inspection. This is not a guarantee.

The structure of the home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

7. Plumbing System

The home inspector shall observe: Interior water supply and distribution system, including: piping materials, supports, and insulation; fixtures and faucets; functional flow; leaks; and cross connections; Interior drain, waste, and vent system, including: traps; drain, waste, and vent piping; piping supports and pipe insulation; leaks; and functional drainage; Hot water systems including: water heating equipment; normal operating controls; automatic safety controls; and chimneys, flues, and vents; Fuel storage and distribution systems including: interior fuel storage equipment, supply piping, venting, and supports; leaks; and Sump pumps. The home inspector shall describe: Water supply and distribution piping materials; Drain, waste, and vent piping materials; Water heating equipment; and Location of main water supply shutoff device. The home inspector shall operate all plumbing fixtures, including their faucets and all exterior faucets attached to the house, except where the flow end of the faucet is connected to an appliance. The home inspector is not required to: State the effectiveness of anti-siphon devices; Determine whether water supply and waste disposal systems are public or private; Operate automatic safety controls; Operate any valve except water closet flush valves, fixture faucets, and hose faucets; Observe: Water conditioning systems; Fire and lawn sprinkler systems; On-site water supply quantity and quality; On-site waste disposal systems; Foundation irrigation systems; Spas, except as to functional flow and functional drainage; Swimming pools; Solar water heating equipment; or Observe the system for proper sizing, design, or use of proper materials.

	IN	NI	NP	PR	Styles & Materials
7.0 PLUMBING DRAIN, WASTE AND VENT SYSTEMS	•				Water Source: Public
7.1 PLUMBING WATER SUPPLY AND DISTRIBUTION SYSTEMS AND FIXTURES	•				Plumbing Water Supply (into home): Cast Iron
7.2 MAIN WATER SHUT-OFF DEVICE (Describe location)	•				Plumbing Water Distribution (inside home): Copper PEX Cast Iron
7.3 HOT WATER SYSTEMS, CONTROLS, CHIMNEYS, FLUES AND VENTS				•	Water Heater Manufacturer: GSW JOHN WOOD
7.4 FUEL STORAGE AND DISTRIBUTION SYSTEMS (Interior fuel storage, piping, venting, supports, leaks)	•				Water Heater Power Source: Electric
7.5 MAIN FUEL SHUT OFF (Describe Location)	•				Water Heater Capacity: 40 Gallon (1-2 people) 4 Units
7.6 SUMP PUMP			•		Plumbing Waste Line: ABS
7.7 DRYER VENTING				•	Washer Drain Size: 2" Diameter Clothes Dryer Vent Material: Flexible Foil

IN= Inspected, NI= Not Inspected, NP= Not Present, PR= Plumbing Repair or Replace

Comments:

7.1 The building sprinkler system was inspected in November 2020. The inspection for the sprinkler is done on an annual basis.

7.3 Hot water tank #1 was installed in 2016. #2,3 and 4 were installed in 2020. Because of the high mineral content of the water on the west coast, hot water tanks do not last as long as normal. The average service life of a hot water tank is 5 years to a maximum of 7 years. This building is serviced by 4 hot water tanks in tandem. Hot water would be slow to service the units further away from the mechanical room. This will also need to be budgeted for strata fees as the tanks are not separated for the power supply.



7.3 Item 1(Picture)

7.4 The propane tank at the home may be a leased tank. That means that the propane supply company owns the tank and you will most likely pay a yearly lease fee. Verify with the seller or the propane company.



7.4 Item 1(Picture)

7.5 The main fuel shut off is at propane tank outside.

7.7 Update: Dryer vents were professionally cleaned May 27th 2021.

The plumbing in the home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. Washing machine drain line for example cannot be checked for leaks or the ability to handle the volume during drain cycle. Older homes with galvanized supply lines or cast iron drain lines can be obstructed and barely working during an inspection but then fails under heavy use. If the water is turned off or not used for periods of time (like a vacant home waiting for closing) rust or deposits within the pipes can further clog the piping system. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

8. Electrical System

The home inspector shall observe: Service entrance conductors; Service equipment, grounding equipment, main over current device, and main and distribution panels; Amperage and voltage ratings of the service; Branch circuit conductors, their over current devices, and the compatibility of their ampacities and voltages; The operation of a representative number of installed ceiling fans, lighting fixtures, switches and receptacles located inside the house, garage, and on the dwelling's exterior walls; The polarity and grounding of all receptacles within six feet of interior plumbing fixtures, and all receptacles in the garage or carport, and on the exterior of inspected structures; The operation of ground fault circuit interrupters; and Smoke detectors. The home inspector shall describe: Service amperage and voltage; Service entry conductor materials; Service type as being overhead or underground; and Location of main and distribution panels. The home inspector shall report any observed aluminum branch circuit wiring. The home inspector shall report on presence or absence of smoke detectors, and operate their test function, if accessible, except when detectors are part of a central system. The home inspector is not required to: Insert any tool, probe, or testing device inside the panels; Test or operate any over current device except ground fault circuit interrupters; Dismantle any electrical device or control other than to remove the covers of the main and auxiliary distribution panels; or Observe: Low voltage systems; Security system devices, heat detectors, or carbon monoxide detectors; Telephone, security, cable TV, intercoms, or other ancillary wiring that is not a part of the primary electrical distribution system; or Built-in vacuum equipment.

		IN	NI	NP	ER	Styles & Materials
8.0	SERVICE ENTRANCE CONDUCTORS	•				Electrical Service
8.1	SERVICE AND GROUNDING EQUIPMENT, MAIN OVERCURRENT DEVICE, MAIN AND DISTRIBUTION PANELS	•				Conductors: Below ground
8.2	BRANCH CIRCUIT CONDUCTORS, OVERCURRENT DEVICES AND COMPATIBILITY OF THEIR AMPERAGE AND VOLTAGE	•				Panel Type: Circuit breakers
8.3	CONNECTED DEVICES AND FIXTURES (Observed from a representative number operation of ceiling fans, lighting fixtures, switches and receptacles located inside the house, garage, and on the dwelling's exterior walls)	•				Panel Capacity: 600 Amps, Main Disconnect Breaker: 600 Amp
8.4	POLARITY AND GROUNDING OF RECEPTACLES WITHIN 6 FEET OF INTERIOR PLUMBING FIXTURES, AND ALL RECEPTACLES IN GARAGE, CARPORT, EXTERIOR WALLS OF INSPECTED STRUCTURE	•				Electric Panel Manufacturer: SQUARE D
8.5	OPERATION OF GFCI (GROUND FAULT CIRCUIT INTERRUPTERS)	•				Branch wire 15 and 20 AMP: Copper
8.6	LOCATION OF MAIN AND DISTRIBUTION PANELS	•				Wiring Methods: Romex
8.7	SMOKE DETECTORS				•	Dryer Power Source: 220 Electric
IN= Inspected, NI= Not Inspected, NP= Not Present, ER= Electrical Repair or Replace		IN	NI	NP	ER	

Comments:

8.1 This entire building is connected to one meter. In order for this building to become strata each unit would need to have it's own hydro meter. I recommend quoting and installing hydro meters to each unit.

Update: The building is now connected with in line meters through telus internet. You can log in and see your own hydro usage.

8.3 The laundry room exhaust fan is not working. Recommend replacing.

Update: The fan has been replaced by management.

8.7 The smoke detectors are dated for replacement in 2029. CO2 detectors should be added at each floor n each unit.

Update: The CO2 detectors have been added by management.

The electrical system of the home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. Outlets were not removed and the inspection was only visual. Any outlet not accessible (behind the refrigerator for example) was not inspected or accessible. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

9. Heating / Central Air Conditioning

The home inspector shall observe permanently installed heating and cooling systems including: Heating equipment; Cooling Equipment that is central to home; Normal operating controls; Automatic safety controls; Chimneys, flues, and vents, where readily visible; Solid fuel heating devices; Heat distribution systems including fans, pumps, ducts and piping, with supports, insulation, air filters, registers, radiators, fan coil units, convectors; and the presence of an installed heat source in each room. The home inspector shall describe: Energy source; and Heating equipment and distribution type. The home inspector shall operate the systems using normal operating controls. The home inspector shall open readily openable access panels provided by the manufacturer or installer for routine homeowner maintenance. The home inspector is not required to: Operate heating systems when weather conditions or other circumstances may cause equipment damage; Operate automatic safety controls; Ignite or extinguish solid fuel fires; or Observe: The interior of flues; Fireplace insert flue connections; Humidifiers; Electronic air filters; or The uniformity or adequacy of heat supply to the various rooms.

	IN	NI	NP	RR	Styles & Materials
9.0 HEATING EQUIPMENT / AIR HANDLER	•				Heat Type: Electric Baseboard room heaters Convection room heaters
9.1 COOLING EQUIPMENT / AIR HANDLER			•		Heating Equipment Energy Source: Electric
9.2 NORMAL OPERATING CONTROLS	•				Number of Heat Systems (excluding wood): One
9.3 PRESENCE OF INSTALLED HEAT SOURCE IN EACH ROOM	•				Number of AC Only Units (excluding heat pumps): None
9.4 PRESENCE OF INSTALLED COOLING SOURCE IN EACH ROOM			•		Types of Fireplaces: Vented gas logs
9.5 CHIMNEYS, FLUES AND VENTS (for fireplaces, gas water heaters or heat systems)	•				Number of Woodstoves: None
9.6 AUTOMATIC SAFETY CONTROLS	•				
9.7 DISTRIBUTION SYSTEMS (including fans, pumps, ducts and piping, with supports, insulation, air filters, registers, radiators, fan coil units and convectors)	•				
9.8 SOLID FUEL HEATING DEVICES (Fireplaces, Woodstove)			•		
9.9 GAS/LP FIRELOGS AND FIREPLACES	•				

IN= Inspected, NI= Not Inspected, NP= Not Present, RR= Repair or Replace

IN NI NP RR

The heating and cooling system of this home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. The inspection is not meant to be technically exhaustive. The inspection does not involve removal and inspection behind service door or dismantling that would otherwise reveal something only a licensed heat contractor would discover. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

General Summary



ccurate HOME INSPECTION

Accurate Home Inspection

A 2804 14th Ave
Port Alberni, B.C.
V9Y2X5
250-735-0784
accuratealberni@gmail.com

Customer
Lougheed Properties Ltd.

Address
203 Boardwalk Blvd.
Ucluelet B.C.

The following items or discoveries indicate that these systems or components do not function as intended or adversely affects the habitability of the dwelling; or appear to warrant further investigation by a specialist, or requires subsequent observation. This summary shall not contain recommendations for routine upkeep of a system or component to keep it in proper functioning condition or recommendations to upgrade or enhance the function, efficiency, or safety of the home. This Summary is not the entire report. The complete report may include additional information of concern to the customer. It is recommended that the customer read the complete report.

4. Rooms

4.1 WALLS

Inspected

In the mechanical room there is some surface mould. This is caused from this room having higher levels of humidity than normal. A dehumidifier should be run in this area and the mould treated.

Update: Brad from Paul Davis has remediated the mould issue in the electrical room. There are no long term affects on the building or the people.



4.1 Item 1(Picture)

4.7 OVERALL WORKMANSHIP.

Inspected

I could not access #11 At the time of the inspection. There were closets at units 14, 13 and 12 that were locked and not accessible. An evaluation of these areas was not possible. This building has been well maintained.

5. Bathrooms and Components

5.4 DOORS (REPRESENTATIVE NUMBER)

Inspected

At unit 16 the bathroom door is damaged. Recommend repairing or replacing.

Update: The door has been replaced



5.4 Item 1(Picture)

5.5 WINDOWS (REPRESENTATIVE NUMBER)

Inspected

The interior by pass windows that separate the bathroom and the bedroom ar missing for unit 14.

Update. New glass panels have been installed and completed.



5.5 Item 1(Picture)

5.7 PLUMBING WATER SUPPLY, DISTRIBUTION AND FIXTURES**Repair or Replace**

All of the jetted tubs should be treated with a chemical before using. The chemical treatment will remove all particulates in the piping.



5.7 Item 1(Picture)

Home inspectors are not required to report on the following: Life expectancy of any component or system; The causes of the need for a repair; The methods, materials, and costs of corrections; The suitability of the property for any specialized use; Compliance or non-compliance with codes, ordinances, statutes, regulatory requirements or restrictions; The market value of the property or its marketability; The advisability or inadvisability of purchase of the property; Any component or system that was not observed; The presence or absence of pests such as wood damaging organisms, rodents, or insects; or Cosmetic items, underground items, or items not permanently installed. Home inspectors are not required to: Offer warranties or guarantees of any kind; Calculate the strength, adequacy, or efficiency of any system or component; Enter any area or perform any procedure that may damage the property or its components or be dangerous to the home inspector or other persons; Operate any system or component that is shut down or otherwise inoperable; Operate any system or component that does not respond to normal operating controls; Disturb insulation, move personal items, panels, furniture, equipment, plant life, soil, snow, ice, or debris that obstructs access or visibility; Determine the presence or absence of any suspected adverse environmental condition or hazardous substance, including but not limited to mold, toxins, carcinogens, noise, contaminants in the building or in soil, water, and air; Determine the effectiveness of any system installed to control or remove suspected hazardous substances; Predict future condition, including but not limited to failure of components; Since this report is provided for the specific benefit of the customer(s), secondary readers of this information should hire a licensed inspector to perform an inspection to meet their specific needs and to obtain current information concerning this property.

Prepared Using HomeGauge <http://www.HomeGauge.com> : Licensed To Todd W Flare



ccurate

HOME INSPECTION

INVOICE

Accurate Home Inspection
 A 2804 14th Ave
 Port Alberni, B.C.
 V9Y2X5
 250-735-0784
 accuratealberni@gmail.com
 Inspected By: Todd W Flaro

Inspection Date: 2021-05-09
 Report ID: 3148

Customer Info:	Inspection Property:
Lougheed Properties Ltd.	203 Boardwalk Blvd. Ucluelet B.C.
Customer's Real Estate Professional:	

Inspection Fee:

Service	Price	Amount	Sub-Total
Commercial Inspection	904.76	1	904.76
			Tax \$45.24
			Total Price \$950.00

Payment Method:

Payment Status: Please E Transfer to accuratealberni@gmail.com with in 3 days of receiving the report. Security word (inspection)

Note:

TO THE INSPECTOR:

The preferred method for the inspection agreement is to use it with the Appointments feature through the HG Online Services. For information on this feature, please visit our Support Center, go to www.homegauge.com and click on Support, HomeGauge Support Center. Or call Support at 828-254-2030.

If you are seeing this while viewing your report, close the print preview, click on File, Printing Options, click on the Print Option you are using (typically Full Report for Upload) and it will highlight blue, then click "Edit", and un-check the check mark for agreement, and click OK.

**AMENDMENT TO
DISCLOSURE STATEMENT DATED JULY 20, 2021**

**OF
LOUGHEED ENTERPRISES LTD.**

for
THE COVE
203 Boardwalk Boulevard
Ucluelet, British Columbia
August 11, 2021

This is an Amendment to the Disclosure Statement dated July 20, 2021 with respect to an offering by Lougheed Enterprises Ltd. (the "Developer") for the sale of certain strata lots located at 203 Boardwalk Boulevard, Ucluelet, British Columbia in a development known as The Cove.

DEVELOPER:

Name: Lougheed Enterprises Ltd.
Business Address: #102 – 2455 Dollarton Highway
North Vancouver, British Columbia V7H 0A2
Address for Service: #102 – 2455 Dollarton Highway
North Vancouver, British Columbia V7H 0A2

AGENT OF DEVELOPER:

Name: RE/MAX Mid-Island Realty
Attention: Judy Gray
Business Address: 109 – 1917 Peninsula Road
Ucluelet, British Columbia V0R 3A0

DISCLAIMER

THIS AMENDMENT TO 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 AMENDMENT TO DISCLOSURE STATEMENT, OR WHETHER THE AMENDMENT TO 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.

AMENDMENTS

Further to the Disclosure Statement dated July 20, 2021 (the "Disclosure Statement"), it has been brought to the attention of the Developer that the form of Contract of Purchase and Sale which the Developer intends to use for the sale of the Units is required to be attached to the Disclosure Statement. Accordingly the Disclosure Statement is hereby amended as follows:

7. MISCELLANEOUS

7.2 Purchase Agreement – Section 7.2(a) of the Disclosure Statement is hereby deleted in its entirety and replaced with the following:

"(a) The form of the Contract of Purchase and Sale which the Developer intends to use in connection with the sale of the Units is attached hereto as Exhibit "F" (the "Purchase Agreement");"

EXHIBIT F

Exhibit "F" attached hereto (being the form of Contract of Purchase and Sale the Developer intends to use) is hereby added as Exhibit "F" to the Disclosure Statement.

DEEMED RELIANCE

SECTION 22 OF THE *REAL ESTATE DEVELOPMENT MARKETING ACT* PROVIDES THAT EVERY PURCHASER WHO IS ENTITLED TO RECEIVE THIS AMENDMENT TO DISCLOSURE STATEMENT IS DEEMED TO HAVE RELIED ON ANY FALSE OR MISLEADING STATEMENT OF A MATERIAL FACT CONTAINED IN THIS AMENDMENT TO 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 AMENDMENT TO 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 AUGUST 11, 2021.

SIGNED BY THE DEVELOPER:

LOUGHEED ENTERPRISES LTD.

Per:




Ross Elliot, Director
Authorized Signatory

August 11, 2021



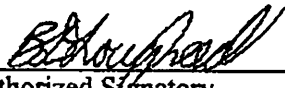
Dolores Elliott, Director
Authorized Signatory

August 11, 2021



Allen Lougheed, Director
Authorized Signatory


August 11, 2021



Authorized Signatory

August 11, 2021

SIGNED BY THE DIRECTORS OF THE DEVELOPER
IN THEIR PERSONAL CAPACITY




Ross Elliot

August 11, 2021



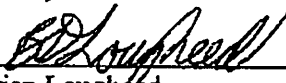
Dolores Elliot

August 11, 2021



Allen Lougheed

August 11, 2021



Brian Lougheed

August 11, 2021

K:\CLIENTS\TBR\67074-0001 Lougheed Enterprises Ltd. (Develop.)\Disclosure Statement\Amendment to DS\Amendment to DS - Final - August 11, 2021.doc

**CONTRACT OF PURCHASE AND SALE**

BROKERAGE: _____ DATE: _____

ADDRESS: _____ PC: _____ PHONE: _____

PREPARED BY: _____ MLS® NO: _____

SELLER: _____	BUYER: _____
SELLER: _____	BUYER: _____
ADDRESS: _____	ADDRESS: _____
_____ PC: _____	_____ PC: _____
PHONE: _____	PHONE: _____
	OCCUPATION: _____

PROPERTY:

UNIT NO. _____ ADDRESS OF PROPERTY _____

CITY/TOWN/MUNICIPALITY _____ POSTAL CODE _____

PID _____ OTHER PID(S) _____

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LEGAL DESCRIPTION

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 \$ _____ (Purchase Price)

2. **DEPOSIT:** A deposit of \$ _____ which will form part of the Purchase Price, will be paid **within 24 hours of acceptance** unless agreed as follows:

All monies paid pursuant to this section (Deposit) will be paid in accordance with section 10 or by uncertified cheque except as otherwise set out in this section 2 and will be delivered in trust to _____ and held in trust in accordance with the provisions of the *Real Estate Services Act*. In the event the Buyer fails to pay the Deposit as required by this Contract, the Seller may, at the Seller's option, terminate this Contract. The party who receives the Deposit is authorized to pay all or any portion of the Deposit to the Buyer's or Seller's conveyancer (the "Conveyancer") without further written direction of the Buyer or Seller, provided that: (a) the Conveyancer is a Lawyer or Notary; (b) such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and (c) if the sale does not complete, the money should be returned to such party as stakeholder or paid into Court.

INITIALS

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PROPERTY ADDRESS

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

Without the Seller's prior consent, any assignment of this Contract of Purchase and Sale is prohibited as more particularly set out in section 20A hereof. An assignment under the Real Estate Development Marketing Act is a transfer of some or all of the rights, obligations and benefits under a purchase agreement made in respect of a strata lot in a development property, whether the transfer is made by the purchaser under the purchase agreement to another person or is a subsequent transfer.

Each proposed party to an assignment agreement must provide the Seller with the information and records required under the Real Estate Development Marketing Act.

Before the Seller consents to an assignment of this Contract of Purchase and Sale, the Seller will be required to collect information and records under the Real Estate Development Marketing Act from each proposed party to an assignment agreement, including personal information, respecting the following:

- (i) the party's identity;
- (ii) the party's contact and business information;
- (iii) the terms of the assignment agreement.

Information and records collected by the Seller must be reported by the Seller to the administrator designated under the Property Transfer Tax Act. The information and records may be used or disclosed for tax purposes and other purposes authorized by Section 20.5 of the Real Estate Development Marketing Act, which includes disclosure to the Canada Revenue Agency.

In addition to, and without limiting the above or section 20A hereof, the following will apply to any consent granted by the Seller hereunder:

- (i) it will be a further condition of any such consent that the purchaser has provided the Seller with all information in respect of the purchaser, the proposed assignee and any other party in connection with its consent to such assignment necessary in order for the Seller to consider the request, together with all information and records required by, and necessary to enable the Seller to comply with, the requirements of the Real Estate Development Marketing Act; and
- (ii) the purchaser, the proposed assignee and any other applicable party must execute and deliver to the Seller an assignment and assumption agreement satisfactory to the Seller in form and content.

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*.

INITIALS

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PROPERTY ADDRESS

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 _____ 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 Section 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, wire transfer, 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.
11. **A. SELLER'S PARTICULARS AND RESIDENCY:** The Seller shall deliver to the Buyer on or before the Completion Date a statutory declaration of the Seller containing: (1) particulars regarding the Seller that are required to be included in the Buyer's Property Transfer Tax Return to be filed in connection with the completion of the transaction contemplated by this Contract (and the Seller hereby consents to the Buyer inserting such particulars on such return); (2) declarations regarding the Speculation and Vacancy Tax for residential properties located in jurisdictions where such tax is imposed, if requested by the Buyer's Conveyancer, and the Vancouver Vacancy By-Law for residential properties located in the City of Vancouver; and (3) if the Seller is not a non-resident of Canada as described in the non-residency provisions of the *Income Tax Act*, confirmation that the Seller is not then, and on the Completion Date will not be, a non-resident of Canada. If on the Completion Date the Seller is a non-resident of Canada as described in the residency provisions of the *Income Tax Act*, the Buyer shall be entitled to hold back from the Purchase Price the amount provided for under section 116 of the *Income Tax Act*.

INITIALS

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PROPERTY ADDRESS

- 11. B. GST CERTIFICATE:** If the transaction contemplated by this Contract is exempt from the payment of Goods and Services Tax ("GST"), the Seller shall execute and deliver to the Buyer on or before the Completion Date, an appropriate GST exemption certificate to relieve the parties of their obligations to pay, collect and remit GST in respect of the transaction. If the transaction contemplated by this Contract is not exempt from the payment of GST, the Seller and the Buyer shall execute and deliver to the other party on or before the Completion Date an appropriate GST certificate in respect of the transaction.
- 12. TIME:** Time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreements 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 non-refundable and absolutely forfeited to the Seller, subject to the provisions of Section 28 of 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 "REALTOR®(s)") described in Section 21, the real estate boards of which those Brokerages and REALTOR®s are members and, if the Property is listed on a Multiple Listing Service®, the real estate board that operates the Multiple Listing Service®, of personal information about the Buyer and the Seller:
- for all purposes consistent with the transaction contemplated herein;
 - 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;

INITIALS

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PROPERTY ADDRESS

- 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 British Columbia Real Estate Association's Privacy Notice and Consent form.

The personal information provided by the Buyer and Seller may be stored on databases outside Canada, in which case it would be subject to the laws of the jurisdiction in which it is located.

20. ASSIGNMENT OF REMUNERATION: The Buyer and the Seller agree that the Seller's authorization and instruction set out in section 25(C) below is a confirmation of the equitable assignment by the Seller in the Listing Contract and is notice of the equitable assignment to anyone acting on behalf of the Buyer or Seller.

20A. RESTRICTION ON ASSIGNMENT OF CONTRACT: The Buyer and the Seller agree that this Contract: (a) must not be assigned without the written consent of the Seller; and (b) the Seller is entitled to any profit resulting from an assignment of the Contract by the Buyer or any subsequent assignee.

21. AGENCY DISCLOSURE: The Seller and the Buyer acknowledge and confirm as follows (initial appropriate box(es) and complete details as applicable):

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INITIALS

A. The Seller acknowledges having received, read and understood Real Estate Council of British Columbia (RECBC) form entitled "*Disclosure of Representation in Trading Services*" and hereby confirms that the Seller has an agency relationship with

_____ (Designated Agent(s)/REALTOR®(s))

who is/are licensed in relation to _____ (Brokerage).

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INITIALS

B. The Buyer acknowledges having received, read and understood RECBC form entitled "*Disclosure of Representation in Trading Services*" and hereby confirms that the Buyer has an agency relationship with

_____ (Designated Agent(s)/REALTOR®(s))

who is/are licensed in relation to _____ (Brokerage).

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INITIALS

C. The Seller and the Buyer each acknowledge having received, read and understood RECBC form entitled "*Disclosure of Risks Associated with Dual Agency*" and hereby confirm that they each consent to a dual agency relationship with

_____ (Designated

Agent(s)/REALTOR®(s)) who is/are licensed in relation to _____ (Brokerage),

having signed a dual agency agreement with such Designated Agent(s)/REALTOR®(s) dated _____.

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INITIALS

D. If only (A) has been completed, the Buyer acknowledges having received, read and understood RECBC form "*Disclosure of Risks to Unrepresented Parties*" from the Seller's agent listed in (A) and hereby confirms that the Buyer has no agency relationship.

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INITIALS

E. If only (B) has been completed, the Seller acknowledges having received, read and understood RECBC form "*Disclosure of Risks to Unrepresented Parties*" from the Buyer's agent listed in (B) and hereby confirms that the Seller has no agency relationship.

INITIALS

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