



UNIVERSITY
DISTRICT

**SECOND AMENDMENT TO DISCLOSURE STATEMENT
UNIVERSITY DISTRICT NORTH**

13428 105 Avenue, Surrey, British Columbia
10468 University Drive, Surrey, British Columbia

DEVELOPER: BLUESKY PROPERTIES (UD LANDS) INC.; and
BLUESKY PROPERTIES (UD NORTH) INC.

ADDRESS FOR SERVICE IN BRITISH COLUMBIA: 1101 – 838 West Hastings Street
Vancouver, B.C. V6C 0A6

BUSINESS ADDRESS OF DEVELOPER: 1201 – 838 West Hastings Street
Vancouver, B.C. V6C 0A6

REAL ESTATE BROKERAGE: The Developer, in its sole discretion, retains the right from time to time during the marketing of the Development, to market the Development itself or to retain such other real estate agent or agents as the Developer deems advisable in order to assist the Developer in marketing the Development. If the Developer chooses to market the North Tower using its own employees, such employees may or may not be licensed under the *Real Estate Services Act* and will not be acting on behalf of purchasers.

DATE OF DISCLOSURE STATEMENT: October 17, 2018

DATE OF FIRST AMENDMENT: November 7, 2018

DATE OF THIS SECOND AMENDMENT: December 4, 2018

This Disclosure Statement relates to a development property that is not yet completed. Please refer to Section 7.1 for information on the purchase agreement. That information has been drawn to the attention of:

_____ [print name of Purchaser]
who has confirmed that fact by initialing in the space provided here _____.

DISCLAIMER

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

The Disclosure Statement dated October 17, 2018, as amended by the first amendment to Disclosure Statement dated November 7, 2018 (together, the “**Disclosure Statement**”), is hereby amended as follows:

1. The following exhibit is added to the end of the Section titled, “List of Exhibits”:
 “Exhibit “T” CSAIR Information Collection Guide”
2. Section 4.4 is amended by deleting the paragraph under subsection (c) in its entirety and replacing the title of the subsection with the words “*Intentionally deleted.*”.
3. Section 5.1 is amended by adding the word “is” after the words “North Tower” in the first paragraph thereof.
4. The following paragraph is added to Section 6.2 as the last paragraph thereof:

“As of the date of this second amendment to Disclosure Statement, the Developer is arranging to grant a mortgage, assignment of rents and general security agreement (collectively defined as the “**Aviva Mortgage**”) in favour of Aviva Insurance Company of Canada (“**Aviva**”) as security for the Deposit Protection Contract (as defined and described in Section 7.1) now entered into between the Developer and Aviva. The Aviva Mortgage will be discharged on a per strata lot basis upon payment of all or a portion of the gross sale proceeds for each strata lot as required by Aviva and the Construction Mortgagee, in the manner described above.”

5. The third component of Section 7.1, entitled “Deposit Protection Contract under Real Estate Development Marketing Act”, is amended by adding the following paragraph as the last paragraph thereof:

“The Developer has entered into a deposit protection contract (the “**Deposit Protection Contract**”) with Aviva dated December 5, 2018 under Policy No.: 252941-18 pursuant to a Commitment Letter dated November 7, 2018, and the Developer hereby provides notice to purchasers of such Deposit Protection Contract accordingly. The pertinent details of such Deposit Protection Contract are as follows:

| | |
|---|---|
| Name and Business Address of Insurer: | Aviva Insurance Company of Canada #1100 – 1125 Howe Street Vancouver, BC V6Z 2Y6 |
| Name of Developer who entered into Deposit Protection Contract: | Bluesky Properties (UD Lands) Inc.; and Bluesky Properties (UD North) Inc. |
| Date on which insurance takes effect: | On or about December 5, 2018 in respect of Twelve Million Five Hundred Thousand Dollars (\$12,500,000) of insurance coverage. |
| Name of the Trustee: | Spagnuolo & Company Real Estate Lawyers |
| Description of subject matter and terms of insurance: | Under the terms of the Deposit Protection Contract, and provided certain requirements under the <i>Real Estate Development Marketing Act</i> (British Columbia) have been met, the deposit paid by each purchaser can be released by the deposit trustee to the Developer and can be used for purposes related to the Development, including the construction and marketing of the Development. |

| | |
|--|---|
| Aggregate and per claims limited of insurance: | The aggregate limit of the insurance coverage pursuant to the Deposit Protection Contract is the amount of Forty-Five Million Dollars (\$45,000,000). The per claim limit of the insurance coverage relating to an individual purchaser deposit pursuant to the Protection Contract is the amount of the deposit paid by such purchaser.” |
|--|---|

6. Section 7.2.2(f) is amended by deleting each reference to subsection number “9.1” in the last paragraph thereof and replacing each such reference with subsection number “10.1”.
7. Section 7.2.3 is deleted in its entirety and replaced with the following Sections 7.2.3(1), 7.2.3(2) and 7.2.3(3):

“Assignment

- 7.2.3(1) The form of Agreement of Purchase and Sale used after the filing of this second amendment to Disclosure Statement (attached hereto as **Exhibit “L-1”**) provides as follows:

Pursuant to paragraph 7.1 of the Agreement of Purchase and Sale:

- (a) In accordance with section 20.3(1) of the *Real Estate Development Marketing Act* (British Columbia) and section 10.2(1) of the Real Estate Development Marketing Regulation, B.C. Reg. 505/2004 (the “**REDMA Regulation**”), the Developer and the purchaser **agree** as follows:
- (i) Without the developer’s prior consent, any assignment of a purchase agreement is prohibited.
 - (ii) 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.
 - (iii) Each proposed party to an assignment agreement must provide the developer with the information and records required under the *Real Estate Development Marketing Act*.
- (b) Pursuant to section 20.3(1) of the *Real Estate Development Marketing Act* and section 10.2(2) of the REDMA Regulation, the Developer hereby gives **notice** to the Purchaser of the following:
- (i) 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:
 - a. the party’s identity;
 - b. the party’s contact and business information;
 - c. the terms of the assignment agreement.

- (ii) 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 only 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.

For the purposes of Section 7.2.3(1)(a) and 7.2.3(1)(b) above, any reference to: (a) the “developer” is a reference to the Developer; (b) a “purchase agreement” is a reference to the Agreement of Purchase and Sale; and (c) an “assignment” is a reference to an assignment as defined under Section 20.1 of the *Real Estate Development Marketing Act*.

- (c) Without limiting anything set out in the provisions described in Sections 7.2.3(1)(a) and 7.2.3(1)(b), prior to the Developer consenting to any assignment of the Agreement of Purchase and Sale, the purchaser will cause each proposed party to an assignment agreement to give to the Developer all information and records prescribed pursuant to section 20.3(2) of the *Real Estate Development Marketing Act* and/or section 10.3 of the REDMA Regulation (collectively, the “**Prescribed Information and Records**”).
- (d) If the Developer consents to any assignment of the Agreement of Purchase and Sale, the purchaser will cause the parties to the assignment agreement to forthwith deliver to the Developer a copy of the written and signed assignment agreement, and the purchaser acknowledges and agrees that the Developer may keep and use such copy of the assignment agreement for such purposes as may be required or permitted under the *Real Estate Development Marketing Act* or the REDMA Regulation.
- (e) The purchaser acknowledges and agrees that the Developer may, at any time and from time to time, (i) file the Prescribed Information and Records, as well as any other information and records regarding the purchaser, any assignee or proposed assignee of the Agreement of Purchase and Sale and/or any assignment or proposed assignment of the Agreement of Purchase and Sale, with the administrator designated under the *Property Transfer Tax Act* (British Columbia) and (ii) disclose the Prescribed Information and Records and such other information and records to such persons as may otherwise be required by law.
- (f) Forthwith upon the request of the Developer, the purchaser will provide, and will cause any assignee or proposed assignee of the Agreement of Purchase and Sale to provide, such other information and records as the Developer may require or desire in connection with any assignment or proposed assignment of the Agreement of Purchase and Sale, including information regarding the purchaser, the assignee or proposed assignee and/or the assignment or proposed assignment of the Agreement of Purchase and Sale. The purchaser acknowledges that the *Real Estate Development Marketing Act* may be amended from time to time to modify the obligations and requirements, or to impose additional obligations and requirements, of the Developer and/or the purchaser with respect to assignments of purchase contracts, and the purchaser covenants and agrees to comply with all such obligations and requirements and to cooperate with the Developer and promptly comply with all requests of the Developer in relation to such obligations and requirements.

For greater certainty, and notwithstanding anything else in the provision described in this Section 7.2.3(1), the notices, terms and conditions in this Section 7.2.3(1) do not: (i) constitute consent by the Developer to any assignment of the Agreement of Purchase and Sale; (ii) obligate the Developer to consent to any assignment of the Agreement of Purchase and Sale; or (iii) derogate from, diminish, limit, amend or affect the Developer’s right to withhold its consent to any assignment of Agreement of Purchase and Sale in the Developer’s sole discretion in accordance with the Agreement of Purchase and Sale.

- 7.2.3(2) Pursuant to Policy Statement 16 issued by the Superintendent of Real Estate pursuant to the *Real Estate Development Marketing Act*, the following terms and notice are required to be included in this section 7.2 effective as of January 1, 2019:
- (a) Without the developer's prior consent, any assignment of a purchase agreement is prohibited.
 - (b) 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.
 - (c) Each proposed party to an assignment agreement must provide the developer with the information and records required under the *Real Estate Development Marketing Act*.
 - (d) 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.
 - (e) 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 only 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.

For the purposes of Section 7.2.3(2)(a) through (e) above, any reference to: (a) the "developer" is a reference to the Developer; (b) a "purchase agreement" is a reference to the Agreement of Purchase and Sale; and (c) an "assignment" is a reference to an assignment as defined under Section 20.1 of the *Real Estate Development Marketing Act*.

For greater certainty, and notwithstanding anything else in the provision described in this Section 7.2.3(2), the notices, terms and conditions in this Section 7.2.3(2) do not: (i) constitute consent by the Developer to any assignment of the Agreement of Purchase and Sale; (ii) obligate the Developer to consent to any assignment of the Agreement and Purchase and Sale; or (iii) derogate from, diminish, limit, amend or affect the Developer's right to withhold its consent to any assignment of the Agreement of Purchase and Sale in the Developer's sole discretion in accordance with the Agreement of Purchase and Sale.

- 7.2.3(3) Notwithstanding paragraphs 7.1(a) through (f) of the Agreement of Purchase and Sale, the Purchaser may only assign the Purchaser's interest in the Strata Lot or in the Agreement of Purchase and Sale or direct the transfer of the Strata Lot to any other or additional party with the written consent of the Vendor and unless the Vendor so consents the Vendor shall not be required to convey the Strata Lot to anyone other than the Purchaser named therein. If with the consent of the Vendor, the Purchaser assigns the Purchaser's interest in the Strata Lot or the Agreement of Purchase and Sale or directs the transfer of the Strata Lot to any other or additional party, the Purchaser will pay to the Vendor a handling charge in the amount of three percent (3%) of the Purchase Price referred to in paragraph 1.01 of Part 1 of the Agreement of Purchase and Sale, plus GST, and all applicable filing, registration, legal and administration fees (collectively, the

“CSAIR Fees”) to compensate the Vendor for legal, administrative and related costs in connection with filing a report to register such assignment in the Condo and Strata Assignment Integrity Register (“CSAIR”), as required in British Columbia effective January 1, 2019 for applicable assignment agreements pursuant to the *Real Estate Development Marketing Act* and the REDMA Regulation, except that such handling charge will be reduced to Five Hundred Dollars (\$500.00), plus GST and applicable CSAIR Fees, if the assignee is the Purchaser’s spouse, parent, child, grandparent or grandchild.

Any purchaser seeking the Vendor’s consent to an assignment must give the Vendor at least fourteen (14) days’ written notice of such request prior to submitting the written form of assignment agreement for the Vendor’s consideration.

Notwithstanding paragraphs 7.1(a) through (f) of the Agreement of Purchase and Sale, the Vendor will not consider any request for consent if:

- (a) made after that date which is sixty (60) days prior to the Estimated Completion Date as set forth in Section 4.1 of the Agreement of Purchase and Sale;
- (b) the Vendor has previously consented to an assignment by the Purchaser; or
- (c) the Purchaser has not complied with the marketing restrictions set out in Section 8.0 of the Agreement of Purchase and Sale.

No assignment by the Purchaser of the Purchaser’s interest in the Strata Lot or the Agreement of Purchase and Sale or direction of transfer to any other person shall have the effect of releasing the Purchaser from any of the Purchaser’s obligations or liabilities under the Agreement of Purchase and Sale.”

8. Section 7.2.4(e) is amended by deleting the reference to subsection numbers “11.0(a) and 11.0(b)” and replacing them with subsection numbers “11.1(a), 11(b) and 11.2(a)”.
9. Section 7.4(a)10. is amended by deleting the reference to Section “7.4” and replacing it with subsection number “7.4(d)”.
10. Section 7.4(d) is amended by deleting the reference to subsection number “7.4(b)” and replacing it with the subsection number “7.4(a)4”.
11. Section 7.4(g) is amended by adding the heading, “Shared Costs”, as the title thereof.
12. The following paragraph is added to the end of Section 7.4 following Section 7.4(g):

“(h) Assignments of Pre-Existing Purchase Agreements

Pursuant to Section 47.2(1) of the *Real Estate Development Marketing Act*, if a pre-existing purchase agreement (being any Agreement of Purchase and Sale for a Strata Lot in the Development entered into between a purchaser and the Developer prior to January 1, 2019) provides that an assignment of the purchase agreement requires the consent of the Developer, the Developer may consent to the assignment only if the Developer first makes a reasonable effort to collect, from each proposed party to the assignment agreement, the Prescribed Information and Records (as defined in Section 7.2.3(1)(c)).

Purchasers are advised that upon the Developer’s receipt of a request for consent to assign a pre-existing purchase agreement, the Developer will request the Prescribed Information and Records (as defined in Section 7.2.3(1)(c)) from each proposed party to the assignment agreement. As a condition of the Vendor granting its discretionary consent to permit a purchaser of a pre-existing purchase agreement to assign an Agreement of

Purchase and Sale, the Vendor will require receipt of: (i) the Prescribed Information and Records from each proposed party to the assignment; and (ii) payment from the purchaser of the applicable CSAIR Fees (as defined in Section 7.2.3(3)) payable in connection with the Vendor's mandatory reporting and registration of the assignment in CSAIR (as defined in Section 7.2.3(3)), in the manner required under the *Real Estate Development Marketing Act* and the REDMA Regulation, as more particularly discussed in Section 7.2.3(3).

For further information regarding the Prescribed Information and Records, please refer to the British Columbia government issued guide(s), as may be amended from time to time (together, the "**CSAIR Information Collection Guide**"), outlining the information developers are required to collect and report in CSAIR for applicable assignment agreements under with the *Real Estate Development Marketing Act* and/or the REDMA Regulation. A copy of the current CSAIR Information Collection Guide, available as of the date of this second amendment to Disclosure Statement, is attached as Exhibit "T".

13. Exhibit "L", entitled "Form of Agreement of Purchase and Sale", is removed and replaced with the Form of Agreement of Purchase and Sale attached to this Second Amendment to Disclosure Statement as **Exhibit "L-1"**, for use by the Developer and effective as of the filing date hereof for new purchasers only. All references to Exhibit "L" are to be read as Exhibit "L-1".

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DEEMED RELIANCE

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

DECLARATION


The foregoing statements disclose without misrepresentation, all material facts relating to the North Tower referred to in the Disclosure Statement as required by the *Real Estate Development Marketing Act* of British Columbia as of December 4, 2018.

SIGNED this 4th day of December, 2018.

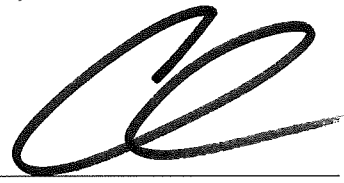
BLUESKY PROPERTIES (UD LANDS) INC.


Per: _____

Authorized Signatory
Dale Bosa, Director




Dale Bosa, Director



Colin Bosa, Director

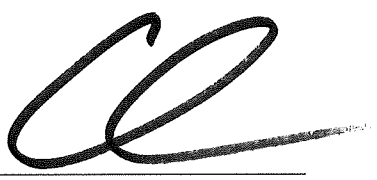
BLUESKY PROPERTIES (UD NORTH) INC.


Per: _____

Authorized Signatory
Dale Bosa, Director



Dale Bosa, Director



Colin Bosa, Director

SOLICITOR'S CERTIFICATE

IN THE MATTER OF the *Real Estate Development Marketing Act* and the Disclosure Statement of:

BLUESKY PROPERTIES (UD LANDS) IN. and BLUESKY PROPERTIES (UD NORTH) INC.,

for property situate at lands civically known as 13419 and 13425 104th Avenue and 13410, 13420, 13430, 13440 and 13444 105th Avenue in the City of Surrey, British Columbia, and legally described as:

- (i) Parcel Identifier: 009-467-891, Lot 29 Except: Parcel A (Bylaw Plan 87435) Section 22 Block 5 North Range 2 West New Westminster District Plan 11141;
- (ii) Parcel Identifier: 009-467-939, Lot 30 Except: Part of Bylaw Plan 55687 Section 22 Block 5 North Range 2 West New Westminster District Plan 11141;
- (iii) Parcel Identifier: 007-556-365, Lot 44 Section 22 Block 5 North Range 2 West New Westminster District Plan 15002;
- (iv) Parcel Identifier: 010-040-323, Lot 45 Section 22 Block 5 North Range 2 West New Westminster District Plan 15002;
- (v) Parcel Identifier: 010-040-340, Lot 46 Section 22 Block 5 North Range 2 West New Westminster District Plan 15002;
- (vi) Parcel Identifier: 010-040-404, Lot 47 Except: 1715 Square Feet (Bylaw Plan 55687) Section 22 Block 5 North Range 2 West New Westminster District Plan 15002; and
- (vii) Parcel Identifier: 029-182-107, That Part of Section 22 Block 5 North Range 2 West New Westminster District Plan BCP52120,

and the project to be constructed thereon to be known as "**University District North**"

I, CHRIS FERRONATO, Solicitor, a member of the Law Society of British Columbia, having read over the above described Disclosure Statement dated the 17th day of October, 2018, as amended by the First Amendment to Disclosure Statement dated November 7, 2018, and further amended by this Second Amendment to Disclosure Statement dated December 4, 2018, having made any required investigations in public offices and having reviewed same with the Developer therein named, hereby certify that the facts contained in Sections 4.1, 4.2 and 4.3 of the Disclosure Statement are correct.

DATED at Vancouver, British Columbia this 4th day of December, 2018.



CHRIS FERRONATO

EXHIBIT "L-1"

FORM OF AGREEMENT OF PURCHASE AND SALE

(New Purchasers Only)

[See attached]

SUITE / TOWNHOME # _____ SL # _____

SALESPERSON _____



UNIVERSITY DISTRICT

Date: _____, 201__

University District North Agreement of Purchase and Sale PART 1

VENDOR:

BlueSky Properties (UD Lands) Inc.; and BlueSky Properties (UD North) Inc. 1201 – 838 West Hastings Street, Vancouver, British Columbia V6C 0A6

PURCHASER(S):

(Circle one) Mr. Miss Ms. Mrs. Full Name: Occupation: Address: City: Province: Postal Code: Tel: Bus: Fax: SIN: E-Mail:

(Circle one) Mr. Miss Ms. Mrs. Full Name: Occupation: Address: City: Province: Postal Code: Tel: Bus: Fax: SIN: E-Mail:

Unless otherwise defined herein, all terms used in this Agreement of Purchase and Sale will have the meaning ascribed to such terms in the Disclosure Statement (hereinafter defined).

I/WE THE ABOVE PURCHASER(S) HEREBY OFFER to purchase: (check one)

- Suite #, 13428 105 Avenue, Surrey, British Columbia, Townhome #, 13428 105 Avenue, Surrey, British Columbia, Townhome #, 10468 University Drive, Surrey, British Columbia,

being Strata Lot (the "Strata Lot") as more specifically described in the proposed strata plan (the "Strata Plan") attached as an exhibit to the Disclosure Statement (hereinafter defined) at the price and on the terms and conditions contained herein. Notwithstanding the foregoing, the Purchaser(s) acknowledge(s) and agree(s) that the civic address of the Strata Lot may be a different address subject to the discretion of the City of Surrey.

1.01 PURCHASE PRICE AND DEPOSITS

The purchase price (excluding GST (the "Purchase Price") for the Strata Lot payable in lawful money of Canada is as follows:

\$ _____

- a) a deposit (the "Initial Deposit") of Twenty Thousand Dollars by way of bank draft upon presentation of this Offer to the Vendor, increased to 10% of the Purchase

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Price on or before the expiry of the Rescission Period referred to on Page 2 of the Disclosure Statement; \$ _____

b) a further deposit (the **"Second Deposit"**) of 5% of the Purchase Price on the later of: (i) one hundred eighty (180) days after the date of this Agreement of Purchase and Sale; and (ii) within seven (7) days of delivery to the Purchaser of the amendment(s) to Disclosure Statement referred to in Paragraph 11.0 of Part 2 of this Agreement of Purchase and Sale; \$ _____

c) a further deposit (the **"Third Deposit"**) of 5% of the Purchase Price within six (6) months of delivery to the Purchaser of the amendment(s) to Disclosure Statement referred to in Paragraph 11.0 of Part 2 of this Agreement of Purchase and Sale; \$ _____

d) a final deposit (the **"Fourth Deposit"**) of 5% of the Purchase Price within twelve (12) months of delivery to the Purchaser of the amendment(s) to Disclosure Statement referred to in Paragraph 11.0 of Part 2 of this Agreement of Purchase and Sale; and \$ _____

e) the balance of the Purchase Price, subject to adjustments described herein (the **"Balance"**) shall be paid on the Completion Date (as hereinafter defined). \$ _____

1.02 The Purchase Price includes the following equipment, appliances and furnishings:

- | | |
|------------------|--|
| (a) Refrigerator | (e) Dishwasher |
| (b) Oven | (f) Microwave |
| (c) Cooktop | (g) Washer and Dryer (which may be a stacked unit) |
| (d) Hood Fan | (h) Window Coverings |

1.03 Colour Scheme – either Light Medium or Dark (check one)

Note: Provided that the construction of the Strata Lot has not already proceeded such that the colour scheme can no longer be selected by the Purchaser, the Purchaser may select the colour scheme by written notice to the Vendor given no later than sixty (60) days of the date of this Agreement of Purchase and Sale otherwise the Vendor will make such colour selection which shall be final.

1.04 Possession and Adjustment Dates: See Paragraph 4 of Part 2 attached hereto.

The Purchaser hereby acknowledges to the Vendor that he/she/they:

- has/have an agency relationship with _____ as agent / brokerage (the **"Selling Agent"**),
and _____ as his/her/their salesperson and is relying on its Selling Agent for advice in connection with this Agreement of Purchase and Sale and the purchase of the Strata Lot.
- has/have no agency relationship with any agent/brokerage/salesperson and is self-represented in this Agreement.

The Purchaser further acknowledges to the Vendor that the Vendor may, for the benefit of the Vendor, have the Vendor's representatives coordinate with the Purchaser, prepare this Contract and answer the Purchaser's questions with respect to this Contract, however, the Purchaser agrees that the Vendor's representatives do not represent the Purchaser, and the Purchaser hereby confirms that he/she/they is/are not relying on the Vendor's representatives for any advice in connection with this Contract.

THE TERMS AND CONDITIONS ATTACHED HERETO AS PART 2 FORM PART OF THIS AGREEMENT. READ THEM CAREFULLY BEFORE YOU SIGN.

This Offer to Purchase and Agreement of Purchase and Sale will be open for acceptance by the Vendor up to and including _____, 201__ and is irrevocable prior to that time and upon acceptance by the Vendor will be a binding agreement for the purchase and sale of the Strata Lot on the terms and conditions herein.

| | | |
|--|--|--|
| | | |
|--|--|--|

THE PURCHASER HAS EXECUTED THIS AGREEMENT on _____, 201__.

Witness

Purchaser

Witness

Purchaser

THIS AGREEMENT OF PURCHASE AND SALE is accepted by the Vendor on _____, 201__.

BLUESKY PROPERTIES (UD LANDS) INC.

Per: _____
Authorized Signatory

BLUESKY PROPERTIES (UD NORTH) INC.

Per: _____
Authorized Signatory

VENDOR'S ACKNOWLEDGEMENT OF RECEIPT OF DEPOSIT

RECEIPT OF \$ _____ IS HEREBY ACKNOWLEDGED BY THE VENDOR AS DEPOSIT MONIES PAID BY THE PURCHASER.

PURCHASER'S ACKNOWLEDGEMENT OF RECEIPT OF DISCLOSURE STATEMENT AND ALL AMENDMENTS

The Purchaser hereby acknowledges having received on the _____ day of _____, 201__ and having had an opportunity to read a copy of the Disclosure Statement dated October 17, 2018 (the "Initial Disclosure Statement"), and any amendments to disclosure statement filed up to the date hereof, in respect of the Initial Disclosure Statement, including the First amendment to Disclosure Statement dated November 7, 2018 and the Second Amendment to Disclosure Statement dated December 4, 2018 (the "Amendments") (the Initial Disclosure Statement, together with an as amended by the Amendments, are collectively referred to herein as the "Disclosure Statement"). The Purchaser acknowledges to the Vendor that this Agreement shall constitute a receipt by the Purchaser of the Disclosure Statement.

The Purchaser hereby confirms that he/she/they has/have read this Agreement of Purchase and Sale including the attached Part 2 and further confirms that other than the warranties and representations and the terms and conditions contained in writing herein and in the Disclosure Statement, NO REPRESENTATIONS, WARRANTIES, TERMS AND CONDITIONS MADE BY ANY PERSON OR AGENT SHALL BE BINDING UPON THE VENDOR.

Witness

Purchaser

Witness

Purchaser

| | | |
|--|--|--|
| | | |
|--|--|--|



**Agreement of Purchase and Sale
PART 2**

1. AGREEMENT

If this Offer is accepted by the Vendor, the Purchaser agrees to purchase from the Vendor by way of conveyance of the strata lot (the "**Strata Lot**") described in paragraph 2.1 at the price and upon the terms set forth below subject to:

- (a) the exceptions listed in Section 23 of the *Land Title Act* (British Columbia);
- (b) the charges and encumbrances described in the Disclosure Statement; and
- (c) claims of builders' liens where the Vendor's conveyancer (as identified in paragraph 14 of this Agreement of Purchase and Sale, the "**Vendor's Conveyancer**") has undertaken to remove same pursuant to paragraph 6.1 hereof.

(collectively, the "**Permitted Encumbrances**").

2. DESCRIPTION OF STRATA LOT

2.1 The Strata Lot is part of the building (the "**Development**") to be constructed on the Lands and constructed as shown on the preliminary strata plan (the "**Preliminary Strata Plan**") attached to the Disclosure Statement. The Purchaser acknowledges that the Strata Lot includes the items listed in paragraph 1.02 of Part 1. Fixtures, fittings and appliances will be those as viewed by the Purchaser on or before the date the Purchaser executed this Agreement, or in the case of lack of availability, will be fixtures, fittings and appliances of reasonably similar appearance and quality. Display suite furnishings, decoration features and fixtures demonstrated in the model suite(s) are not included and specifically, without limitation, not included are hanging dining and living room light fixtures, built-in wall shelving, decorator wall coverings or wall treatments and draperies. Paint colour will be as viewed by the Purchaser on the colour boards displayed. Further, the Purchaser acknowledges that the ceiling height in the display suite(s) may be higher or lower than the actual ceiling height in the Strata Lot as constructed.

3. PURCHASE PRICE, DEPOSIT AND PAYMENT

3.1 The Purchaser will pay the Purchase Price to the Vendor as follows:

- (a) subject to the provisions of paragraph 12.0 hereof, the deposit monies in the amounts set out in paragraph 1.0 of Part 1 shall be paid by the Purchaser to the Vendor's appointed agent for holding deposits as identified in paragraph 14 hereof (the "**Stakeholder**") as directed by the Vendor. If the estimated interest to be earned will exceed the Stakeholder's administration costs, the Stakeholder will invest the deposit monies in an interest-bearing trust account with a Canadian chartered bank trust company or credit union with interest to accrue to the credit of the Vendor, except as otherwise expressly provided herein;
- (b) notwithstanding any other provisions of this Agreement of Purchase and Sale, the Purchaser will not be required to pay the Second, Third and Fourth Deposit unless the Purchaser has been in receipt of the Amendment to the Disclosure Statement referred to in paragraph 11.0 hereof; and
- (c) the balance of the Purchase Price (the "**Balance**") plus or minus adjustments pursuant to paragraphs 4.3 and 5.2 hereof shall be paid by the Purchaser to the Vendor's Conveyancer on the Completion Date by way of certified trust cheque or bank draft in accordance with the provisions of paragraph 6.1 hereof.

3.2 Subject to paragraph 3.3 and paragraph 12.0 hereof, the Deposit shall be dealt with as follows:

- (a) if the Purchaser completes the purchase of the Strata Lot on the terms and conditions herein contained, then the Deposit shall form part of and be applied to the Purchase Price and be paid by the Stakeholder to the Vendor. Any interest earned thereon (less the Stakeholder's reasonable administration fee) shall be paid to the Vendor;
- (b) if the Purchaser does not give proper notice to the Vendor pursuant to paragraphs 4.1 or 5.2 hereof and the Purchaser fails to complete the purchase of the Strata Lot on the terms and conditions herein contained, then the Deposit together with interest accrued thereon (less the Stakeholder's reasonable administration fee) shall be paid by the Stakeholder to the Vendor forthwith;

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- (c) if the Purchaser gives proper notice to the Vendor pursuant to paragraph 4.1 or 5.2 hereof, then the Deposit together with all interest accrued thereon (less the Stakeholder's reasonable administrative fee) shall be paid by the Stakeholder to the Purchaser and the Purchaser shall have no further claim against the Vendor at law or in equity;
- (d) if the Purchaser does not give notice pursuant to paragraphs 4.1 or 5.2 hereof and the Vendor fails to complete the sale of the Strata Lot on the terms and conditions herein contained, then the Deposit together with all accrued interest thereon (less the Stakeholder's reasonable administrative fee) shall be paid by the Stakeholder to the Purchaser; and
- (e) if the Purchaser delivers to the Vendor a notice of termination of this Agreement pursuant to paragraphs 11.1(a), 11.1(b) and 11.2(a) hereof or the Vendor terminates this Agreement pursuant to paragraph 9.1 hereof, then forthwith upon receipt of such notice, the Deposit, together with all interest, shall be paid by the Stakeholder to the Purchaser and the Purchaser shall have no further claim against the Vendor at law or in equity.

3.3 Notwithstanding the provisions of paragraph 3.2 hereof, if the Purchaser is a non-resident of Canada as defined under the *Income Tax Act* (Canada), the Stakeholder may remit directly to the Receiver General for Canada such non-resident withholding tax in respect of interest earned on the Deposit as may be required where the Purchaser is entitled to payment of the interest earned.

3.4 The Vendor and the Purchaser hereby irrevocably authorize the Stakeholder:

- (a) to deal with the Deposit and all interest earned thereon in accordance with the provisions hereof, notwithstanding the provisions of Section 18 of the *Real Estate Development Marketing Act* (British Columbia) ("**REDMA**"), and
- (b) to interplead the Deposit and all interest thereon, at the expense of the party ultimately determined to be entitled to such funds, should any dispute arise regarding the obligations of the Stakeholder with respect to the Deposit.

3.5 Lien Holdback. That portion, if any, of the Purchase Price required by law to be held back by the Purchaser in respect of builders' lien claims (the "**Lien Holdback**") shall be paid on the Completion Date to the Vendor's Conveyancer in trust. The Lien Holdback shall be held in trust pursuant to the *Strata Property Act* (British Columbia) and *Builders Lien Act* (British Columbia) (or successor statutes) solely in respect of lien claims registered in the applicable Land Title Office (the "**Land Title Office**") in connection with work done at the request of the Vendor. The Vendor's Conveyancer is authorized to invest the Lien Holdback in an interest bearing trust account and to pay to the Vendor on the 55th day after the Strata Lot is conveyed to the Purchaser the Lien Holdback plus interest, if any, accrued thereon, less the amount of any builders' lien claims filed against the Strata Lot of which the Purchaser or the solicitor or notary public for the Purchaser (the "**Purchaser's Solicitors**") notifies the Vendor's Conveyancer in writing by 4:00 p.m. on that day. The Purchaser hereby authorizes the Vendor to bring any legal proceedings required to clear title to the Strata Lot of any lien claims filed with respect to the Strata Lot, including payment of the lien holdback funds into Court if desired by the Vendor.

3.6 Goods and Services Tax ("**GST**") and GST New Housing Rebate. The parties agree that GST is applicable on the sale of the Strata Lot to the Purchaser. The parties further agree that the amount of the Purchase Price does not include the GST levied under the Excise Tax Act (Canada) or any other applicable value added tax ("**Other Applicable Taxes**") and that GST and Other Applicable Taxes are payable by the Purchaser to the Vendor in addition to the Purchase Price. Subject to paragraph 3.6 (c) below, the Vendor agrees to credit to the Purchaser the full amount of the GST new housing rebate (the "**Rebate**") provided that;

- (a) the Purchaser qualifies for the Rebate;
- (b) the Purchaser provides to the Vendor, at or prior to the time of closing with:
 - (i) an executed copy of the approved government rebate form (the "**GST New Housing Rebate Form**") from time to time prescribed for purposes of the Rebate;
 - (ii) a sworn statutory declaration stating that:
 - (A) at the time the Purchaser becomes liable under the Purchase Agreement, the Purchaser is acquiring the Strata Lot for use as the primary place of residence of, and
 - (B) after completion of the transaction, the first person to occupy the Strata Lot as a place of residence under an arrangement for that purpose will be the Purchaser or a "relation" (as that term is defined for purposes of section 254 of the *Excise Tax Act* (Canada) of the Purchaser;
 - (C) together with such other statements required by the Federal and Provincial governments in order to qualify the Purchaser for the Rebate;

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- (iii) an assignment of the Rebate to the Vendor, in form satisfactory to the Vendor; and
- (iv) any other documents reasonably required by the Vendor in connection with crediting of the Rebate.
- (c) Reduction and Disallowance of Rebate Claim. The Vendor reserves the right to refuse to credit all or any portion of the Rebate claimed by the Purchaser if the Vendor has reason to believe that the Purchaser is not entitled to the Rebate or that the Rebate amount claimed by the Purchaser exceeds the Rebate to which the Purchaser is entitled. By delivering an executed copy of the GST New Housing Rebate Form to the Vendor, the Purchaser warrants to the Vendor that the Purchaser is eligible for the Rebate claimed in such form in respect of the transaction contemplated by the Purchase Agreement. In the event that the Vendor credits a Rebate to the Purchaser and Canada Revenue Agency, disallows all or any part of the Rebate claim, the Purchaser will immediately, upon receiving a written demand from the Vendor, reimburse such disallowed amount to the Vendor together with any interest, penalty or other amount payable by the Vendor as a result of such disallowance, plus interest thereon at the rate provided in section 10.1(b) the Purchase Agreement from the date of demand up to the date of payment.

In the event the Purchaser has signed an addendum entitled "Addendum/Amendment Agreement-GST", such addendum will supersede and replace this paragraph 3.6.

4. COMPLETION, POSSESSION AND ADJUSTMENT DATES

4.1 The completion date of the purchase and sale of the Strata Lot will be on the date selected by the Vendor (the "**Completion Date**") and set out in a notice (the "**Completion Notice**") given by the Vendor or Vendor's Conveyancer to the Purchaser or the Purchaser's Solicitors at any time after:

- (a) the Vendor has received oral or written permission from the applicable municipality or the city, as the case may be, to occupy the Strata Lot, as opposed to any common property within the Development, regardless of whether or not such permission is temporary, conditional or final; and
- (b) a separate title to the Strata Lot has been issued by the applicable Land Titles Office.

If the Completion Date has not occurred by March 15, 2024 (the "**Outside Date**") then the Purchaser or the Vendor shall have the right to cancel this Agreement by giving ten (10) business days written notice to the other party, provided that such notice is given and expires before the last to occur of: (i) the date permission is given by a municipality or city to occupy the Strata Lot; and (ii) the date the Strata Plan creating the Strata Lot is submitted for filing in the Land Title Office.

If the Vendor or Purchaser exercises the said right, the Deposit and any interest accrued thereon will be paid to the Purchaser in accordance with paragraph 3.2(c) hereof.

The Purchaser acknowledges and agrees that the Completion Date will be established by the Vendor in accordance with this section 4.1 notwithstanding that the estimated date for completion of construction for the Development as set out in the Disclosure Statement or any amendment thereto (the "**Estimated Construction Completion Date**") is an estimate only and may vary based on time gained or lost during the construction process. For greater certainty, the Purchaser acknowledges and agrees that the actual Completion Date, as established by the date set forth in the Completion Notice, may occur before, on or after the Estimated Construction Completion Date.

The Purchaser hereby:

- (a) agrees to complete the purchase of the Strata Lot on the Completion Date as set out in the Completion Notice regardless of the amount of time between the Completion Date and the Estimated Construction Completion Date;
- (b) acknowledges and agrees that its decision to enter into and to perform the terms of this Agreement is not predicated upon whether or not the actual Completion Date occurs before, at or after the Estimated Construction Completion Date; and
- (c) acknowledges and agrees that a Completion Date occurring before, at or after the Estimated Construction Completion Date will not affect the value, price or use of the Strata Lot to the Purchaser.

4.2 If the Vendor is delayed from completing the construction of the Strata Lot as a result of fire, explosion or accident, however caused, act of any governmental authority, strike, lockout, inability to obtain or delay in obtaining labour, materials or equipment or flood, act of God, inclement weather, delay or failure by carriers or contractors, unavailability of supplies or materials, breakage or other casualty, interference of the Purchaser or any other event beyond the control of the Vendor, then the time within which the Vendor must do anything

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hereunder and the Outside Date referred to in paragraph 4.1 will be extended for a period equivalent to such period of delay.

4.3 Adjustments

The Purchaser will assume all taxes, rates, local improvement assessments, water rates and scavenging rates, assessments of the strata corporation of which the Strata Lot forms part, and all other adjustments both incoming and outgoing of whatever nature in respect of the Strata Lot shall be made, as of the Completion Date. If the amount of any such taxes, rates or assessments has been levied in respect of a parcel greater than the Strata Lot, the portion thereof that shall be allocated to the Strata Lot shall be determined by the Vendor by prorating the total amount among all of the Strata Lots in the Development on the basis of the applicable unit entitlement.

4.4 Possession

Provided the Vendor's Conveyancer has received the balance of the Purchase Price and all other amounts payable by the Purchaser to the Vendor in respect of the Strata Lot on the Completion Date, the Purchaser shall have possession of the Strata Lot on the day immediately following the Completion Date.

5.0 CONSTRUCTION

5.1 The Strata Lot is as shown on the Preliminary Strata Plan attached to the Disclosure Statement given to the Purchaser. The Vendor may make alterations to the features and layout of the Strata Lot, including, without limiting the generality of the foregoing, alterations required to accommodate structural elements, electrical, plumbing and mechanical systems within the Development without compensation to the Purchaser. The Vendor also reserves the right to amend the strata plan by, inter alia, increasing or decreasing the number of strata lots. Such changes may change the numbering of the Strata Lot on the Strata Plan and/or change the civic address of the Strata Lot. No such change will create a right of rescission in favour of the Purchaser or give rise to a claim for damages or compensation as against the Vendor.

5.2 The Purchaser acknowledges that the total expected area of the Strata Lot ("**Expected Area**") as shown on the Preliminary Strata Plan (and the room measurements as shown in any advertising material) are approximate only and may vary from the total actual area ("**Actual Area**") as shown on the final strata plan registered in the applicable Land Title Office. If the proportion by which the Actual Area varies from the Expected Area (the "**Variance**") is less than 5%, there will be no adjustment to the Purchase Price to reflect same. If the Variance exceeds 5%, the Purchase Price will be increased or decreased, as the case may be, by the "Adjustment Factor" (as hereinafter defined) per square foot in respect of that part of the Variance which exceeds 5%. If the Variance exceeds 10%, the Purchaser may by written notice cancel this Contract, whereupon the Purchaser will be entitled to repayment of the Deposit as provided in paragraph 3.2 hereof unless the Variance is positive by virtue of the Actual Area exceeding the Expected Area and the Vendor waives the adjustment to the Purchase Price in which event the Purchaser will complete the transaction of purchase and sale on the Completion Date. In this paragraph "**Adjustment Factor**" means the price per square foot determined by dividing the Purchase Price noted in paragraph 1.0 by the Expected Area.

5.3 The Purchaser acknowledges and agrees that the Purchaser will accept any parking stall(s) and any storage locker(s) assigned to the Purchaser by the Vendor on an "as is" basis and will have no claim against the Vendor in respect of any variation in the size, shape or convenience of location of such parking stall(s) and storage locker(s) or any partial obstruction of such parking stall(s) and storage locker(s).

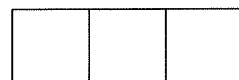
5.4 If required by the Purchaser, the Purchaser and a representative of the Vendor shall inspect the Strata Lot at a reasonable time designated by the Vendor prior to the Completion Date. At the conclusion of such inspection, a conclusive list of any defects or deficiencies shall be prepared and the parties may agree upon the dates by which corrections are to occur. While the corrections are still outstanding, there will be no holdbacks of any portion of the Purchase Price and the Completion Date shall not be extended. The parties shall sign the list and the Purchaser shall be deemed to have accepted the physical condition of the Strata Lot subject only to the listed corrections.

5.5 The Vendor reserves the right to alter the common property of the Development at any time and from time to time, if, in its sole opinion, such alteration or alterations improve the structural integrity of the Development, its mechanical systems, its ability to withstand water penetration or its esthetics.

6.0 CONVEYANCE, RISK, PERMITTED ENCUMBRANCES

6.1 Conveyance

It shall be the Purchaser's responsibility to prepare the documents necessary to complete this transaction and the Purchaser shall deliver to the Vendor a Freehold Transfer, in registrable form, and a Statement of



Adjustments at least three (3) days prior to the Completion Date. The Purchaser will be responsible for obtaining a Form F Certificate of Full Payment as required under the *Strata Property Act*.

The Vendor and Purchaser agree that on the Completion Date, the Vendor will transfer or, if not registered in its name, cause the title holder to transfer title to the Strata Lot to the Purchaser free and clear of all registered liens, mortgages, charges and encumbrances of any nature whatsoever save and except Permitted Encumbrances and on or before the Completion Date, the Vendor will have taken whatever steps are necessary in order to obtain or make arrangements for any release or discharge of any registered liens, mortgages, charges and encumbrances save and except the Permitted Encumbrances. The Purchaser agrees to accept such title and acknowledges and agrees that the Vendor will be using the purchase monies received from the Purchaser to obtain a partial discharge of any construction mortgage and security collateral thereto. The Purchaser's Solicitors will pay the balance of the adjusted Purchase Price on the Completion Date by way of certified trust cheque or bank draft made payable and delivered at the Purchaser's expense to the Vendor's Solicitor in trust on their undertaking to pay and discharge the aforesaid charges from title to the Strata Lot and, in the case of a claim of builders lien, on his undertaking to cause same to be discharged within thirty (30) days after the Completion Date. If the Purchaser is relying upon a new mortgage to finance the Purchase Price, the Purchaser, while still required to pay the balance of the adjusted Purchase Price on the Completion Date, may wait to pay same until after the Transfer and new mortgage documents have been lodged for registration at the applicable Land Title Office but only if before such lodging against title to the Strata Lot, the Purchaser has:

- (a) deposited in trust with the Purchaser's Solicitors the cash balance of the Purchase Price not being financed by the mortgage;
- (b) fulfilled all the new mortgagee's conditions for funding except lodging for registration; and
- (c) made available to the Vendor's Solicitor an undertaking given by the Purchaser's Solicitors to pay on the Completion Date the balance of the adjusted Purchase Price upon the lodging of the Transfer and the new mortgage documents and the advance by the new mortgagee of the mortgage proceeds.

6.2 The Purchaser will pay all costs (including the Purchaser's Solicitors' fees and disbursements) in connection with the completion of the sale (including any federal and provincial sales, goods and service tax (GST), value-added, property transfer or other tax (other than income tax)) required to be paid by the Vendor or the Purchaser in connection with the purchase and sale of the Strata Lot and the equipment and appliances included within the Strata Lot other than the costs of the Vendor incurred in clearing title to the Strata Lot of financial encumbrances and the legal fees of the Vendor.

6.3 The Strata Lot shall be at the risk of the Vendor until and including the date preceding the Completion Date and at the risk of the Purchaser from and including the Completion Date.

7.0 ASSIGNMENT BY PURCHASER

7.1 Assignment

(a) In accordance with section 20.3(1) of REDMA and section 10.2(1) of the Real Estate Development Marketing Regulation, B.C. Reg. 505/2004 (the "**REDMA Regulation**"), the Vendor and the Purchaser agree as follows:

- (i) Without the Vendor's prior consent, any assignment of this Agreement is prohibited.
- (ii) An assignment under REDMA 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.
- (iii) Each proposed party to an assignment agreement must provide the Vendor with the information and records required under REDMA.

(b) Pursuant to section 20.3(1) of REDMA and section 10.2(2) of the REDMA Regulation, the Vendor hereby gives notice to the Purchaser of the following:

- (i) Before the Vendor consents to an assignment of this Agreement, the Vendor will be required to collect information and records under REDMA from each proposed party to an assignment agreement, including personal information, respecting the following:
 - a. the party's identity;

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- b. the party's contact and business information;
 - c. the terms of the assignment agreement.
- (ii) Information and records collected by the developer must be reported by the Vendor to the administrator designated under the *Property Transfer Tax Act*. The information and records may only be used or disclosed for tax purposes and other purposes authorized by section 20.5 of REDMA, which includes disclosure to the Canada Revenue Agency.
- (c) Without limiting anything set out in the provisions described in paragraphs 7.1(a) and 7.1(b), prior to the Vendor consenting to any assignment of the Agreement, the Purchaser will cause each proposed party to an assignment agreement to give to the Vendor all information and records prescribed pursuant to section 20.3(2) of REDMA and/or section 10.3 of the REDMA Regulation (collectively, the "**Prescribed Information and Records**").
- (d) If the Vendor consents to any assignment of the Agreement, the Purchaser will cause the parties to the assignment agreement to forthwith deliver to the Vendor a copy of the written and signed assignment agreement, and the Purchaser acknowledges and agrees that the Vendor may keep and use such copy of the assignment agreement for such purposes as may be required or permitted under REDMA or the REDMA Regulation.
- (e) The Purchaser acknowledges and agrees that the Vendor may, at any time and from time to time, (i) file the Prescribed Information and Records, as well as any other information and records regarding the purchaser, any assignee or proposed assignee of the Agreement and/or any assignment or proposed assignment of the Agreement, with the administrator designated under the *Property Transfer Tax Act* (British Columbia) and (ii) disclose the Prescribed Information and Records and such other information and records to such persons as may otherwise be required by law.
- (f) Forthwith upon the request of the Vendor, the Purchaser will provide, and will cause any assignee or proposed assignee of the Agreement to provide, such other information and records as the Vendor may require or desire in connection with any assignment or proposed assignment of the Agreement, including information regarding the Purchaser, the assignee or proposed assignee and/or the assignment or proposed assignment of the Agreement. The Purchaser acknowledges that REDMA may be amended from time to time to modify the obligations and requirements, or to impose additional obligations and requirements, of the Vendor and/or the Purchaser with respect to assignments of purchase contracts, and the purchaser covenants and agrees to comply with all such obligations and requirements and to cooperate with the Vendor and promptly comply with all requests of the Vendor in relation to such obligations and requirements.

For greater certainty, and notwithstanding anything else in the provision described in this paragraph 7.1, the notices, terms and conditions in this paragraph 7.1 do not: (i) constitute consent by the Vendor to any assignment of this Agreement; (ii) obligate the Vendor to consent to any assignment of this Agreement; or (iii) derogate from, diminish, limit, amend or affect the Vendor's right to withhold its consent to any assignment of this Agreement in the Vendor's sole discretion in accordance with this Agreement.

- (g) Notwithstanding paragraphs 7.1(a) through (f), the Purchaser may only assign the Purchaser's interest in the Strata Lot or in this Agreement or direct the transfer of the Strata Lot to any other or additional party with the written consent of the Vendor, which consent may be arbitrarily withheld by the Vendor and, unless the Vendor so consents, the Vendor shall not be required to convey the Strata Lot to anyone other than the Purchaser named herein.
- (h) If, following the Purchaser's delivery to the Vendor of the Prescribed Information and Records required by the Vendor pursuant to REDMA and the REDMA Regulation, as set out in paragraphs 7.1(b) and (c) above, and thereafter with the consent of the Vendor, the Purchaser assigns the Purchaser's interest in the Strata Lot or this Agreement or directs the transfer of the Strata Lot to any other or additional party the Purchaser will pay to the Vendor an administration and handling charge in the amount of three percent (3%) of the Purchase Price referred to in paragraph 1.01 of Part 1 of this Agreement, plus GST, and all applicable filing, registration, legal and administration fees (collectively, the "**CSAIR Fees**") to compensate the Vendor for legal, administrative and related costs in connection with filing a report to register such assignment in the Condo and Strata Assignment Integrity Register ("**CSAIR**"), as required in British Columbia effective January 1, 2019 for applicable assignment agreements pursuant to REDMA and the REDMA Regulation, except that such handling charge will be reduced to Five Hundred

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Dollars (\$500.00), plus GST and applicable CSAIR Fees, if the assignee is the Purchaser's spouse, parent, child, grandparent or grandchild.

- (i) Any purchaser seeking the Vendor's consent to an assignment must give the Vendor at least fourteen (14) days written notice of such request prior to submitting the written form of assignment agreement for the Vendor's consideration and approval which approval may be arbitrarily withheld.
- (j) Notwithstanding paragraphs 7.1(a) through (f), the Vendor will not consider any request for consent if:
 - (i) made after that date which is sixty (60) days prior to the Completion Date, as defined in paragraph 4.1 of the Agreement;
 - (ii) the Vendor has previously consented to an assignment by the Purchaser; or
 - (iii) the Purchaser has not complied with the marketing restrictions set out in paragraph 8.1 hereof.
- (k) No assignment by the Purchaser of the Purchaser's interest in the Strata Lot or this Agreement or direction of transfer to any other person shall have the effect of releasing the Purchaser from any of the Purchaser's obligations or liabilities hereunder.

8.0 MARKETING

- 8.1 The Purchaser will not advertise or solicit offers from the public with respect to the resale of the Strata Lot by the Purchaser before the Completion Date without the express written consent of the Vendor, which consent may be arbitrarily withheld.
- 8.2 The Purchaser agrees that after completion of the conveyance contemplated by this Offer to Purchase and Agreement of Sale he/she shall allow the Vendor (whether by resolution of the Strata Corporation or otherwise) to:
 - (a) maintain professional signage on the common property of the Strata Corporation for the purposes of offering the balance of the Vendor's Strata Lots for sale; and
 - (b) show the common property of the Strata Corporation to prospective purchasers for the purposes of offering the balance of the Vendor's Strata Lots for sale.

9.0 VENDOR'S CONDITIONS

- 9.1 In consideration of the sum of One Dollar (\$1.00) paid by the Vendor to the Purchaser (the receipt and sufficiency of which is hereby acknowledged and will not be denied by the Purchaser), the Purchaser agrees that the obligation of the Vendor to sell the Strata Lot is subject to the following conditions:
 - (a) that the Vendor has entered into agreements of purchase and sale on terms acceptable to it with other purchasers for the sale of not less than two hundred seventy-five (275) strata lots within the Development on or before July 15, 2019;
 - (b) that prior to the date the Developer files the amendment(s) to this Disclosure Statement setting out:
 - (i) the particulars of an issued building permit for the Development or the date the Developer is required to do so pursuant to paragraph (c)(ii) of Policy Statement 5; and
 - (ii) the particulars of the satisfactory financing arranged by the Vendor or the date the Developer is required to do so pursuant to paragraph (c)(i) of Policy Statement 6, whichever is earlier,
 the Developer is satisfied, in its sole discretion, with the costs of construction and the economic feasibility of proceeding with the Development.

These conditions are for the sole benefit of the Vendor and, if both of them have not been satisfied and if the Vendor has given the Purchaser written notice, by that date which is nine (9) months from the date the building permit and the satisfactory financing commitment are issued, that the Vendor does not waive these conditions, then this Agreement shall be of no further force and effect and the Vendor will return the Deposit to the Purchaser. If the Vendor does not give such written notice to the Purchaser then these conditions will be deemed to have been waived by the Vendor.

The Purchaser agrees not to revoke its accepted offer to purchase while this Agreement remains subject to any of the foregoing Vendor's conditions.

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10.0 MISCELLANEOUS

10.1 Time of Essence. Time will be of the essence hereof and unless all payments on account of the Purchase Price, together with adjustments thereto as provided herein and all other amounts payable by the Purchaser hereunder are paid when due, then the Vendor may, at the Vendor's option:

- (a) terminate this Agreement and in such event the Deposit together with all accrued interest thereon will be absolutely forfeited to the Vendor on account of damages (being the minimum amount of damages the parties agree the Vendor is expected to suffer as a result of such termination), without prejudice to the Vendor's other remedies, including a right to recover any additional damages; or
- (b) elect to extend the time for completion and complete the transaction contemplated by this Agreement, in which event the Purchaser will pay to the Vendor, in addition to the Purchase Price, interest on the unpaid portion of the Purchase Price and other unpaid amounts payable hereunder at the rate of 3% per annum above the annual rate of interest designated by the Vendor's principal bank as its "prime rate", as that rate changes from time to time, such interest to be calculated daily from the date upon which such payment and amounts were due to the date upon which such payment and amounts are paid.

If from time to time the Purchaser's default continues beyond the last extended date for completion established pursuant to subsection (b) the Vendor may thereafter elect to terminate this Agreement pursuant to subsection (a) or permit a further extension pursuant to subsection (b).

10.2 Condition Removal

Notwithstanding anything herein contained to the contrary if the Purchaser's obligation to purchase the Strata Lot is subject to one or more conditions then the conditions shall be set out in an Addendum attached hereto and if such conditions exist then the Vendor may, on written notice delivered to the Purchaser require the Purchaser to either satisfy or waive the satisfaction of all conditions by delivering written notice within twenty-four (24) hours from the time the Vendor gives notice to the Purchaser. If such written waiver is not received within such time, then this Agreement shall terminate and the Deposit together with all accrued interest thereon (if any) less the Stakeholder's reasonable administration fee shall be promptly refunded to Purchaser.

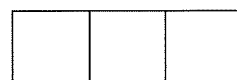
10.3 Notices and Tender. Any notice to be given to the Purchaser, including any amendment to the Disclosure Statement, will be well and sufficiently given if deposited in any postal receptacle in Canada addressed to the Purchaser at the Purchaser's address or the Purchaser's Solicitors at their offices and sent by regular mail, postage prepaid, or if delivered by hand or if transmitted by telecopy or electronic mail ("e-mail") to the Purchaser's Solicitors at their office or to the Purchaser. The Purchaser does hereby expressly consent to the delivery by e-mail of any notices and documents, including any amendment to the Disclosure Statement. Such notice shall be deemed to have been received if so delivered or transmitted by telecopy or by e-mail, when delivered or transmitted and if mailed, on the second business day (exclusive of Saturdays, Sundays and statutory holidays) after such mailing. The address and telecopy number or e-mail address (if any) for the Purchaser will be as set out above or such other address or telecopy number or e-mail address the Purchaser has last notified the Vendor in writing. Any documents to be tendered on the Purchaser may be tendered on the Purchaser or the Purchaser's Solicitors. Any notice to be given to the Vendor may be given to the Vendor or the Vendor's Conveyancer in the same manner, and shall be deemed to have been received, as provided for in the preceding provisions of this section, mutatis mutandis. Any documents or money to be tendered on the Vendor shall be tendered by way of certified funds or bank draft and shall be delivered at the Purchaser's expense to the Vendor or the Vendor's Conveyancer.

10.4 Governing Law. This Offer, the contract of purchase and sale resulting from the acceptance of this Offer and all matters arising hereunder will be construed in accordance with and governed by the laws of British Columbia which will be deemed to be the proper law hereof, and the courts of British Columbia will have the exclusive jurisdiction to entertain and determine all claims and disputes arising out of or in any way connected with this Offer and the validity, existence and enforceability hereof.

10.5 Purchaser Comprising More Than One Party. If the Purchaser is comprised of more than one party, then the obligations of the Purchaser hereunder will be the joint and several obligations of each party comprising the Purchaser and any notice given to one of such parties shall be deemed to have been given at the same time to each other such party.

10.6 Execution of Counterparts and Delivery of Telecopied Agreement. This Agreement may be executed by the parties in counterparts or transmitted by telecopy, or both, and if so executed and delivered, or if so transmitted, or if so executed and transmitted, this Agreement will be for all purposes as effective as if the parties had executed and delivered to one another a single original agreement.

10.6.1 Electronic Signatures: Pursuant to the *Electronic Transactions Act*, the parties agree that any offer, counter offer and/or acceptance in connection with the parties entering into this Offer to Purchase and Agreement of



Purchase and Sale and all communications, acknowledgments and receipts in connection therewith or contemplated hereunder and in connection with compliance with REDMA may be in electronic form and satisfied by an electronic signature.

10.6.2 Personal Information. The Purchaser and the Vendor hereby consent to the collection, use and disclosure by the Vendor, the Vendor's agents, solicitors, affiliates and service providers of personal information about the Purchaser and the Vendor for all purposes consistent with the transaction contemplated herein including: (a) to complete the transaction contemplated by this Agreement; (b) to invest the Deposit as provided for herein including providing personal information to the financial institution as required for reporting interest earned on the Deposit in accordance with applicable laws; c) to facilitate the management of the Development; (d) to market, sell, provide and inform the Purchaser of products and services of the Vendor and its affiliates and partners, including information about future projects; (e) to comply with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and regulations, rules and policies thereunder or relating thereto and other applicable laws and (f) to disclose such personal information to the Vendors affiliates, assignees, business partners, bankers, lawyers, accountants and other advisors and consultant in furtherance of the foregoing purposes.

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

10.7 Residency of Vendor. The Vendor represents and warrants to the Purchaser that it is a resident of Canada within the meaning of the *Income Tax Act* of Canada.

10.8 Urea Formaldehyde. To the best of the Vendor's knowledge, the Strata Lot is free of urea formaldehyde foam insulation.

10.9 Contractual Rights. This Offer and the agreement that results from its acceptance creates contractual rights only and not any interest in land and is not registrable in any land title office.

10.10 Further Assurances. The parties hereto shall do all further acts and things and execute all such further assurances as may be necessary to give full effect to the intent and meaning of this Contract.

10.11 References. All references to any party, whether a party to this Contract or not, will be read with such changes in number and gender as the context or reference requires.

11.0 ISSUANCE OF BUILDING PERMIT/FINANCING

11.1 Issuance of Building Permit

(a) The Purchaser may cancel this Agreement of Purchase and Sale for a period of seven days after receipt of an amendment to the Disclosure Statement that sets out particulars of the issued building permit if the layout or size of the applicable strata lot, the construction of a major common facility, or the general layout of the Development as shown on the Strata Plan attached to the Disclosure Statement, is materially changed by the issuance of the building permit.

(b) If an amendment to the Disclosure Statement that sets out particulars of an issued building permit is not received by the Purchaser within 12 months after the initial disclosure statement was filed, the purchaser may at the purchaser's option cancel this Agreement of Purchase and Sale at any time after the end of that 12 month period until the required amendment is received by the Purchaser, at which time the Purchaser may cancel this Agreement of Purchase and Sale for a period of seven days after receipt of that amendment only if the layout or size of the applicable strata lot, the construction of a major common facility, or the general layout of the Development as shown on the Strata Plan attached to the Disclosure Statement, is materially changed by the issuance of the building permit.

(c) The amount of the deposit to be paid by a purchaser who has not yet received an amendment to the disclosure statement sets out particulars of an issued building permit is no more than 10% of the purchase price.

(d) All deposits paid by the Purchaser, including interest earned if applicable, will be returned promptly to the Purchaser upon notice of cancellation from the Purchaser.

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11.2 Issuance of Financing Commitment

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

12.0 DEPOSIT PROTECTION CONTRACT UNDER REAL ESTATE DEVELOPMENT MARKETING ACT

Under section 19 of REDMA, a developer who desires to use for the developer's own purposes a deposit the developer has placed with a trustee under section 18 of REDMA may, by entering into a deposit protection contract in relation to that deposit, obtain the deposit from that trustee and use that deposit only for the developer's own purposes. Section 10 the REDMA Regulation provides that if a developer enters into a deposit protection contract, the developer must provide notice of the deposit protection contract to a purchaser including the following information in the disclosure statement: (i) the name and business address of the insurer; (ii) the name of the developer who entered into the deposit protection contract; and the date on which the insurance takes effect.

In accordance with the foregoing, the Vendor hereby provides notice to the Purchaser(s) that on December 5, 2018, the Vendor entered into a deposit protection contract with Aviva Insurance Company of Canada. The details of such contract pursuant to Section 10 of the REDMA Regulation are as follows, as more particularly described in the Disclosure Statement:

| | |
|---|---|
| Name and Address of Insurer: | Aviva Insurance Company of Canada |
| Name of Developer who entered into Deposit Protection Contract: | Bluesky Properties (UD Lands) Inc.; and Bluesky Properties (UD North) Inc. |
| Date on which insurance takes effect: | On or after December 5, 2018 |
| Name of Trustee: | Spagnuolo & Company Real Estate Lawyers |

13.0 CORPORATE PURCHASER

If the Purchaser hereunder is a corporation, the Purchaser will cause one or more of its individual principals to enter into the Vendor's form of Indemnity Agreement concurrently with the Purchaser's execution of this Agreement of Purchase and Sale.

14.0 STAKEHOLDER AND VENDOR'S CONVEYANCER

14.1 For the purposes of this Agreement of Purchase and Sale the "Stakeholder" and the "Vendor's Conveyancer", shall be:

Spagnuolo & Company Real Estate Lawyers
#300 – 906 Roderick Avenue
Coquitlam, B.C. V3K 1R1
Phone: 604-527-4242
Fax: 604-527-8976

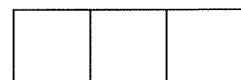


EXHIBIT "T"

CSAIR INFORMATION COLLECTION GUIDE

(available as of the filing date of this Second Amendment to Disclosure Statement)

[See attached]



Information Collection under the Condo and Strata Assignment Integrity Register (CSAIR)

Developers are responsible for collecting and reporting information about assignments of condos and other strata lots in the Condo and Strata Assignment Integrity Register (CSAIR).

The guide below outlines the type of information developers may need to provide under the Real Estate Development Marketing Act and Regulation.

On this page:

- [Identity and contact information](#)
- [Assignment agreement information](#)
- [Example of an assignment](#)

Required Information

The developer must collect and report in CSAIR the following information about assignments of condos and other strata lots:

- Identity and contact information of all parties to the assignment
- Details about the terms of the assignment agreement and amounts paid for the assignment

Identity and Contact Information

The required information is listed below, organized by whether the party to the assignment is an individual, a corporation, a partner acting on behalf of a partnership or a trustee acting on behalf of a trust. Information is needed on both the assignor and assignee.

[Expand All](#) | [Collapse All](#)

Information about individuals

For each individual identified as a proposed party to the assignment:

- Full legal name
- Date of birth
- Citizenship information. For individuals who are not Canadian citizens or permanent residents of Canada as defined in the *Immigration and Refugee Protection Act*, the foreign country or state of citizenship
- Tax identifiers: Social Insurance Number (SIN) or Individual Tax Number (ITN)

- Residency status for federal income tax purposes
- The postal address, and
- The principal residence address of the individual. If the postal address and the principal residence address are the same, provide it only once
- Phone number
- Email address, if applicable

Information about corporations

If the proposed party to an assignment is a corporation:

- The legal corporation name
- The 9-digit business number (BN) assigned by the Canada Revenue Agency (CRA)
- The head office address
- Information about an individual who can be contacted on behalf the corporation to answer questions about the assignment agreement. The information about the individual includes:
 - Name
 - Postal Address
 - Phone number
 - Email address, if applicable

Information about trustees acting on behalf of a trust

When an assignment involves trustees acting on behalf of a trust, the information on the trust and additional information on each of the trustees needs to be collected and disclosed.

Information about the trust:

- Name of the trust, if any
- Heading of the trust instrument, if any
- The 8-digit trust account number assigned by the Canada Revenue Agency (CRA), if any
- Residency of the trust for federal income tax purposes

If the trustee is an individual:

- Name
- Postal address
- Principal residence address
- Phone number
- Email address, if applicable

If the trustee is a corporation:

- The legal corporation name
- The head office address of the corporation
- Phone number
- Email address, if applicable

Information about partners acting on behalf of a partnership

When an assignment involves partners acting on behalf of a partnership, information on the partnership needs to be collected and disclosed.

Information about the partnership:

- The legal partnership name
- The partnership account number assigned by the Canada Revenue Agency (CRA), if any

If the partnership **does not have a partnership account number**, additional information on each of the partners OR information on an individual who can be contacted on behalf the partnership needs to be provided:

Partner information:

- Name of each partner
- Applicable tax identifier: Social Insurance Number (SIN), Individual Tax Number (ITN), 9-digit business number (BN), 8-digit trust account number or partnership account number assigned by the CRA
- Postal address,
- Principal residence or head office address as applicable
- Phone number
- Email address, if applicable

Contact representative:

- Name of the individual
- Postal address, as applicable
- Principal residence address or Head Office address, as applicable
- Phone number
- Email address, if applicable

Assignment Agreement Information

- Date of the purchase agreement
- The unit number, the strata lot number and the parcel identifier (PID) of the strata lot need to be reported, if ascertainable

- Date of developer's consent date to the assignment agreement
- Effective date of the assignment, if it can be determined, and if different from the developer's consent date
- Assignment fee paid to the developer for the consent
- Purchase price of the strata lot. The purchase price includes any amendments to the purchase agreement or subsequent assignments, including any upgrades or prior "lifts" (the increase in value of the strata lot assigned)
- Assignment amount. This is the amount payable to the assignor for the assignment and it is commonly referred to as a "lift"
- Reimbursement of the deposit paid. This is the amount payable to the assignor for the deposit paid to the deposit trustee

Example of an Assignment

The following example shows the breakdown of information reported in CSAIR when the right to purchase a pre-sale strata lot is assigned prior to the building being completed or registered at the land title office.

Original purchase agreement (September 2018)

Purchaser A and the Developer enter in a contract of purchase and sale for \$500,000. Purchaser A makes a deposit to the deposit trustee for \$100,000.

After the purchase, Purchaser A and the Developer agree on upgrades for an additional \$25,000.

Assignment #1 (October 2018)

Purchaser A (the assignor) assigns the contract to Purchaser B (assignee #1) for \$575,000. The Developer collects and reports the following:

- Purchase price paid by Purchaser B = \$575,000
- Assignment amount = \$50,000 (the "lift")
- Reimbursement of deposit payable to the deposit trustee = \$100,000

Note: the purchase price (\$575,000) includes the original price (\$500,000), the lift (\$50,000) and the cost of upgrades (\$25,000). The upgrade amounts are part of the purchase price and need to be reported in the purchase price field at the time the purchase contract is assigned.

After the assignment effective date, Purchaser B and the Developer agree on further upgrades for additional \$30,000 payable by Purchaser B.

Assignment #2 (December 2018)

Purchaser B (the assignor) assigns the contract to Purchaser C (assignee #2) for \$675,000. The Developer collects and reports the following:

- Purchase price paid by Purchaser C = \$675,000
- Assignment amount = \$70,000 (the "lift")
- Reimbursement of deposit payable to the deposit trustee = \$100,000

Note: the purchase price (\$675,000) includes the price from assignment #1 (\$575,000), the lift (\$70,000) and the cost of upgrades (\$30,000).

Purchaser C registers the property with the Land Title Office upon building completion. Purchaser C pays property transfer tax on \$675,000 if the assignment occurred in the open market.

Resources

- [Requirements for Marketing Real Estate Developments](#)
- [Land Title and Survey Authority of B.C.](#)
- [Office of the Superintendent of Real Estate](#)

Definitions

Assignment - An assignment is a transfer of some or all rights, obligations and benefits under a purchase agreement for a strata lot in a development property. It is a transfer made by the purchaser of the purchase agreement to another person or it is a subsequent transfer.

Assignor - An assignor is the person who transfers the purchase agreement to another person.

Assignee - An assignee is the person who acquires the purchase agreement from the assignor.

The assignor and the assignee can be an individual, a corporation, a trustee acting on behalf of a trust or a partner acting on behalf of a partnership.