

**RIVER'S CROSSING (West Lots)
Cranbrook, British Columbia**

**SECOND AMENDED DISCLOSURE STATEMENT
June 3, 2018**

**DEVELOPER:
RIVER'S CROSSING LTD.**

Business Address: #201 - 1230 91 Street SW
Edmonton, AB T6X 0P2

Address for Service: 202 – 1007 Fort Street
Victoria, BC V8V 3K5

PREPARED BY:
REED POPE LAW CORPORATION
202 – 1007 Fort Street
Victoria, British Columbia V8V 3K5

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 Developer intends to market the strata lots offered for sale under this Disclosure Statement using a combination of its own employees, a referral program for licensed realtors, and by listing certain strata lots for sale on the Multiple Listing Service. The Developer advises that its employees are not licensed under the *Real Estate Services Act* and are not acting on behalf of the purchaser. In addition, the Developer will engage Ritchie Bros. Auctioneers (Canada) Ltd., having a branch address of 1500 Sparrow Drive, Nisku, AB, to market in British Columbia certain strata lots by way of an unreserved bid auction process. Ritchie Bros. has engaged the following as their licensed realtor for the auction process: Tom Moran, Re/Max Dawson Creek Realty, 10224 – 10th St., Dawson Creek, BC, V1G 3T4, 250-782-8181 (o); 250-784-7090 (cell).

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 contract was entered into or the date the purchaser or lessee received a copy of this Disclosure Statement.

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

1. the Developer at the address shown in the Disclosure Statement received by the purchaser;
2. the Developer at the address shown in the purchaser's purchase agreement;
3. the Developer's brokerage, if any, at the address shown in the Disclosure Statement received by the purchaser; or
4. 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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EXHIBITS

- Exhibit A-2 List of Strata Lots owned by the Developer and offered for sale
- Exhibit E-2 Zoning Bylaw - CD-3, Shadow Mountain Comprehensive District
- Exhibit G-2 Design Guidelines
- Exhibit H-2 Option to Purchase in favour of the Developer
- Exhibit I-2 Amended Form P - Phased Strata Plan Declaration
- Exhibit M-2 Approved Strata Corporation Budget and Allocation of Strata Fees:
Phases 1 and 2
- Exhibit N-2 Description of Encumbrances and Legal Notations
- Exhibit O-2 Developer's Form of Contract of Purchase and Sale
- Exhibit R-2 Form of Contract of Purchase and Sale for Ritchie Bros. Auction
- Exhibit S-2 SMHOA Approved Budget for year ending 2018

OVERVIEW OF THIS AMENDMENT

The following disclosure statements have been filed in respect of the project known as River's Crossing (West Lots):

- Disclosure Statement, dated April 22, 2014 (the "**Disclosure Statement**")
- First Amended Disclosure Statement, dated September 26, 2014 (the "**First Amendment**")

This Second Amended Disclosure Statement, dated June 3, 2018 (the "**Second Amendment**") amends the Disclosure Statement and the First Amendment. Purchasers must receive and are advised to read the Disclosure Statement, the First Amendment, and the Second Amendment in their entirety.

A brief summary of the Exhibits attached to the Disclosure Statement, the First Amendment, and the Second Amendment is set out below:

Disclosure Statement	First Amendment	Second Amendment
Exhibit A – deleted		Exhibit A-2
Exhibit B		
Exhibit C		
Exhibit D		
Exhibit E – deleted	Exhibit E-1 – deleted	Exhibit E-2
Exhibit F		
Exhibit G – deleted		Exhibit G-2
Exhibit H – deleted		Exhibit H-2
Exhibit I – deleted		Exhibit I-2
Exhibit J		
Exhibit K		
Exhibit L		
Exhibit M – deleted		Exhibit M-2
Exhibit N – deleted		Exhibit N-2
Exhibit O – deleted		Exhibit O-2
Exhibit P		
Exhibit Q		
		Exhibit R-2
		Exhibit S-2

1. THE DEVELOPER

1.3 Developer's Registered and Records Office

The Developer's registered and records office is located at:

202 – 1007 Fort Street
Victoria, BC V8V 3K5

1.5 Developer's Background

Section 1.5 of the Disclosure Statement and First Amendment are deleted in their entirety and replaced by the following:

In accordance with Policy Statement No. 15 under the *Real Estate Development Marketing Act*, the Developer is required to provide certain disclosure respecting the previous 5 to 10 years as to its background as well as the background of its directors, officers and principal holders. This information is set out below.

To the best of the Developer's knowledge:

- (a) **River's Crossing Ltd.** does not have any history of involvement in real estate development other than its involvement with the Development. The Developer acquired the lands comprising the Development in December 2013.
- (b) **Munir Virani**, sole director and officer of the Developer, has nine years experience as a lender providing funding to various construction and development projects in Alberta and British Columbia. Mr. Virani has also had over 14 years experience in real estate investment ventures, primarily in the residential rental market in Edmonton, Alberta. Mr. Virani has also served as the Director of Finance for a large national retailer during which time he was responsible for taxation, treasury and financial reporting of a consolidated group of companies with revenues in excess of \$1 billion per annum.
- (c) Neither the Developer, any principal holder of the Developer, nor any director or officer of the Developer or principal holder, within the ten years before the date of the Developer's declaration attached to the Disclosure Statement, has been subject to any penalties or sanctions imposed by a court or regulatory authority, relating to the sale, lease, promotion, or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud.
- (d) Neither the Developer, 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 the Disclosure Statement, was

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

- (e) No director, officer or principal holder of the Developer, or any director or officer of the principal holder, within the five years prior to the date of the Developer's declaration attached to the 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, arrangements or compromises with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

In this section 1.5, the term "**principal holder**" means any person holding directly or indirectly more than 10% of any class of voting securities of the issuer of those securities.

2. GENERAL DESCRIPTION

2.1 General Description of the Development

Section 2.1 of the Disclosure Statement is deleted in its entirety and replaced with the following:

The development is a phased bare land strata plan development located on the west side of Highway 95A within the city limits of Cranbrook, British Columbia. It is the Developer's intention that the development will, when fully constructed, include 395 residential bare land strata lots (collectively the "**Strata Lots**", and individually a "**Strata Lot**"), together with the common property of the strata plan (the "**Common Property**") (collectively, the "**Development**"). The Developer is offering for sale the Strata Lots it owns in Phases 1 and 2 of the Development.

Exhibit A-2 lists the Strata Lots in Phases 1 and 2 owned by the Developer that are being marketed for sale.

The Development is situated on Lot 2, which has been subdivided from the West Parent Parcels (as each of those terms is defined in section 4.1), as shown on subdivision plan EPP4579 (the **"Subdivision Plan"**). A copy of the Subdivision Plan is attached as **Exhibit B**. The Developer intends to register a seventeen (17) phase strata plan (see section 2.4) of Lot 2 at the Kamloops Land Title Office (the **"Land Title Office"**). Phases 1 and 2 of the strata plan are already registered creating the strata corporation known as The Owners, Strata Plan EPS136 (the **"West Strata Corporation"**). A copy of the registered strata plans for Phases 1 and 2 showing the Strata Lots and Common Property created in those phases, is attached as **Exhibit C**.

Access to and through the Development will be by way of Highway 95A, Wycliffe Park Road, a common lot road situated within the Development (the **"Common Lot Road"**) and a private roadway (the **"Common Property Road"**) that is Common Property of the West Strata Corporation. The Common Lot Road is shown labeled as Lot 1 on the Subdivision Plan.

The Development is part of the Community located on both sides of Highway 95A, along the south banks of the St. Mary River in the northwest corner of the city of Cranbrook, British Columbia (the **"City"**). The Community, when fully constructed, is intended to comprise a 19-hole championship golf course (the **"Shadow Mountain Golf Course"**), clubhouse and training facilities, parks and all-season trails, residential zoned developments (including multi-family developments), commercial retail property, and natural landscaping. The zoning for this Development is described in more detail at section 2.2. Shadow Mountain Golf Course and related golf facilities are owned by 0983495 B.C. Ltd. (the **"Golf Course Owner"**), who is at arm's length to the Developer. Shadow Mountain Golf Course was opened to the public on July 1, 2009.

All references in the Disclosure Statement and First Amendment to the **"Golf Course"** are replaced by **"Shadow Mountain Golf Course"**.

Exhibit A is deleted and replaced with **Exhibit A-2** attached to the Second Amendment.

Exhibit B is attached to the Disclosure Statement.

Exhibit C is attached to the Disclosure Statement.

2.2 Permitted Use

Section 2.2 of the Disclosure Statement and the First Amendment are deleted in their entirety and replaced with the following:

The zoning bylaw applicable to the Development is the City's Zoning Bylaw No. 3737, 2012 (the **"Zoning Bylaw"**) and Part 7.28.3 Comprehensive Development Zone 3: CD-3 Shadow Mountain (the **"CD-3 Zone"**) applies to the Development. A consolidated version of the CD-3 Zone is attached as **Exhibit E-2** (note that the underlined words in **Exhibit E-2** are definitions that are defined in the Zoning Bylaw).

The Strata Lots are located in the “Single Family Dwelling District – Estate” (the “**SFD Estate District**”) (see page 8 of **Exhibit E-2**). In the SFD Estate District, only one single-family detached residential home can be constructed on each Strata Lot. The Developer intends the Strata Lots to be used for single-family dwellings, a permitted use within the SFD Estate District.

The SFD Estate District allows certain permitted uses and accessory uses beyond single family dwellings including home based business, residential office, secondary suite, and certain other uses that are accessory to a permitted use.

The SFD Estate District also sets out the requirements for parcel area dimensions, density, siting, and also the size and dimensions of buildings and structures. Purchasers are advised to review and be familiar with these requirements. In addition, purchasers are advised to review the Development Regulations set out in part 7.28.3.5 on pages 2 and 3 of **Exhibit E-2**.

For further information regarding the City’s Zoning Bylaw, purchasers may contact the City at:

Cranbrook City Hall
40 – 10th Avenue South
Cranbrook, British Columbia
V1C 2M8

Telephone: (250) 426-4211
Toll free: 1-800-728-2726
Fax: (250) 246-4026
Email: info@cranbrook.ca
Website: <http://cranbrook.ca/contact/>

All references in the Disclosure Statement and the First Amendment to “**CD Zone**” are replaced with “**CD-3 Zone**”. **Exhibit E-2** is attached to the Second Amendment.

2.3 Building Construction

The paragraphs at the heading titled Purchaser’s Construction Obligations at section 2.3 of the Disclosure Statement and the First Amendment are deleted in their entirety and replaced with the following:

Purchaser’ Construction Obligations - The Developer will require each purchaser of a Strata Lot to obtain:

- within three (3) years of the date on which the Developer transfers title to the purchaser, a building permit from the City for the construction of a single family home on the purchaser’s Strata Lot; and

- within one (1) year after the issuance of the building permit, a final occupancy permit from the City in respect of the single family home for which the building permit was issued

(collectively, the “**Purchaser’s Construction Obligations**”).

Option to Purchase - The Developer will secure the Purchaser’s Construction Obligations by requiring purchasers to grant the Developer, concurrently with the transfer of title to the Strata Lot from the Developer to the purchaser, an option to purchase (the “**Option to Purchase**”) the purchaser’s Strata Lot for an amount equal to 85% of the gross purchase price for the Strata Lot, which option to purchase may be exercised by the Developer if the purchaser does not fulfill the Purchaser’s Construction Obligations. The form of the Option to Purchase is attached hereto as **Exhibit H-2**.

Exhibit G (Design Guidelines) is deleted and replaced with **Exhibit G-2** attached to the Second Amendment. All references to **Exhibit G** in the Disclosure Statement are deleted and replaced with **Exhibit G-2**.

Exhibit H (Option to Purchase) is deleted and replaced with **Exhibit H-2** attached to the Second Amendment. All references to **Exhibit H** in the Disclosure Statement are deleted and replaced with **Exhibit H-2**.

Exhibit N (Description of Encumbrances and Legal Notations) is deleted and replaced with **Exhibit N-2** attached to the Second Amendment. All references to **Exhibit N** in the Disclosures Statement are deleted and replaced with **Exhibit N-2**.

2.4 Phasing

Section 2.4 of the Disclosure Statement is deleted in its entirety and replaced with the following:

This Development is proceeding by way of a Phased Strata Plan. A Phased Strata Plan is a development that is constructed and completed in parts, but all parts will become one strata corporation. An approved Form P Declaration of Intention to Create a Strata Plan by Phased Development pursuant the *Strata Property Act* (the “**Form P**”) is required for each such strata plan. The location and area of each phase is set out on the sketch plan attached to the Form P. The Form P also shows the unit entitlement and number of Strata Lots to be constructed in each phase, as well as the dates for construction.

The approving officer has approved a Form P for the Development. The Developer registered an amended the Form P at the Land Title Office on July 13, 2017. The amended Form P is attached as **Exhibit I-2**.

The Development will be constructed in seventeen (17) phases in accordance with the currently registered amended Form P. The Development is intended to comprise a total of 395 Strata Lots allocated among the phases as follows:

Phase	Strata Lots
1	53
2	74
3	13
4	20
5	12
6	19
7	10
8	20
9	14
10	20
11	12
12	15
13	13
14	27
15	9
16	31
17	33
TOTAL	395

Under the provisions of the *Strata Property Act* and in accordance with paragraph 3 of the registered amended Form P, the Developer is deemed to have elected to proceed with Phases 1 through 17 inclusive.

As declared in the amended Form P, the Developer is not currently planning to construct any common facilities (as that term is defined in Part 13 of the *Strata Property Act*) as part of the Development.

The Developer is offering for sale the Strata Lots it owns in Phases 1 and 2 of the Development.

Exhibit I is deleted and replaced with **Exhibit I-2** attached to the Second Amendment.

3. STRATA INFORMATION

3.7 Budget

Section 3.7 of the Disclosure Statement is deleted in its entirety and replaced with the following:

The Annual General Meeting of the West Strata Corporation was held on December 17, 2017. The West Strata Corporation Budget approved at the last Annual General Meeting is attached as **Exhibit M-2**. **Exhibit M-2** includes the amount of strata fees for each Strata Lot in Phase 1 and 2.

Purchasers are referred to section 7.4(d) which sets out a comprehensive explanation of the purposes, functions and funding of the SMHOA.

Purchasers will note that many of the expenses required to properly service the West Strata Corporation (and which are set out in **Exhibit M-2**) are shown as being dealt with by the SMHOA. The Developer anticipates that, in due course, when the SMHOA is fully functioning, the West Strata Corporation Budget will evolve further as the SMHOA responsibilities and the West Strata Corporation responsibilities are clarified and further delineated. As noted, many of the services and expenses set out in **Exhibit M-2** are shown as being dealt with by the SMHOA and there is one line item representing the West Strata Corporation's contribution, as a member of the SMHOA, to the SMHOA budget. In short, in due course, when the SMHOA is fully functioning, instead of the West Strata Corporation paying directly for certain services (as represented now for certain items in West Strata Corporation Budget) it will pay indirectly for those services by paying the SMHOA for performing them.

Exhibit M is deleted and replaced with **Exhibit M-2** attached to the Second Amendment. Any references to **Exhibit M** in the Disclosure Statement are deleted and replace by **Exhibit M-2**.

3.8 Utilities and Services

Section 3.8(f) of the Disclosure Statement is deleted and replaced with the following:

- (f) **Telephone, Cable and Internet** - Telephone, cable, and internet service will be underground and will be provided by Telus Communications Inc. ("**Telus**") and/or Shaw Communications Inc. ("**Shaw**") on application and on payment by an owner of a Strata Lot of the usual application, hook-up and usage charges. Shaw and Telus currently provide fibre optic telecommunication lines to the Development. The owner of each Strata Lot will be responsible for any fees for connecting to telecommunication services provided through Telus or Shaw.

3.11 Rental Disclosure Statement

Section 3.11 is deleted and replaced with the following:

The Developer has not filed a Rental Disclosure Statement with the Superintendent of Real Estate for British Columbia. Therefore, rentals are governed by the West Strata Corporation bylaws and the City's Zoning Bylaw. The Developer may construct improvements on one or more Strata Lots and rent such improvements.

4. TITLE AND LEGAL MATTERS

4.3 Existing Encumbrances and Legal Notations

Section 4.3 of the Disclosure Statement is deleted in its entirety and replaced with the following:

The existing encumbrances and legal notations registered against title to the Strata Lots and the Common Property are described in **Exhibit N-2**. Purchasers are recommended to obtain a title search of the Strata Lot they wish to purchase and to review title and satisfy themselves as to the charges registered against such Strata Lot.

Exhibit N-2 is attached to the Second Amendment. All references to **Exhibit N** in the Disclosure Statement are deleted and replaced with **Exhibit N-2**.

5. CONSTRUCTION AND WARRANTIES

5.1 Construction Dates

Section 5.1 of the Disclosure Statement is deleted in its entirety and replaced with the following:

The current commencement of construction and completion of construction for the Strata Lots in each Phase of the Development are set out in the table below:

Phase Number	Actual Date of Commencement of Construction	Actual Date of Completion of Construction
Phase 1	2009	December 15, 2009
Phase 2	2009	December 15, 2009

In this section 5.1, the following definitions apply:

“Actual Date of Commencement of Construction” means the date of commencement of excavation in respect of construction of an improvement that will become part of a development unit within the development property, and where there is no excavation it means the date of commencement of construction of an improvement that will become part of the common property or part of a development unit within the development property; and

“Actual Date of Completion of Construction” means the date the bare land strata plan is deposited in a land title office.

6. APPROVALS AND FINANCES

No amendments.

7. MISCELLANEOUS

7.1 Deposits

Section 7.1 of the Disclosure Statement is deleted in its entirety and replaced with the following:

All deposits and other money received from a purchaser of a Strata Lot will be held in trust by the Developer's solicitors in the manner required by the *Real Estate Development Marketing Act* and the British Columbia *Real Estate Services Act*. Such deposits will be held in trust until the strata plan for the subject phase is deposited in the Land Title Office, the Strata Lot purchased is capable of being occupied and an instrument evidencing the interest of the purchaser in the Strata Lot has been registered in the Land Title Office, or until otherwise paid out by operation of law.

7.2 Purchase Agreement

Exhibit O is deleted and replaced with **Exhibit O-2**. All references to **Exhibit O** in the Disclosure Statement are deleted and replaced with **Exhibit O-2**.

The following section **7.2.1 Form of Auction Purchase Agreement** is added to the Disclosure Statement after section 7.2:

7.2.1 Form of Auction Purchase Agreement

The form of purchase agreement to be used by the Developer in respect of any sales made by the auction of Strata Lots by Ritchie Bros. Real Estate Services Ltd. and Ritchie Bros. Auctioneers (Canada) Ltd. is substantially that form of purchase agreement attached hereto as **Exhibit R-2**. Purchasers are referred to section 7.4(e) of the Disclosure Statement for more information.

Exhibit R-2 is attached to the Second Amendment.

7.3 Developer's Commitments

Section 7.3 of the Disclosure Statement is deleted in its entirety and replaced with the following:

As set out in section 2.4, the Development is a phased development and the Developer is deemed to have elected to proceed with Phases 1 through 17 inclusive.

As set out in subsections 3.8(c), the Developer intends to install 'hard' line connections for sewer services (as distinct from the sewer systems constructed to date) and the Developer has posted security with and to the satisfaction of the City to complete such work.

7.4 Other Material Facts

The material at subsection 7.4(d) of the Disclosure Statement from the paragraph beginning with the heading “Membership” to the end of subsection 7.4(d) is deleted in its entirety and is replaced with the following:

Current Governance – The annual general meeting of the SMHOA was held August 29, 2017 and the current directors are Matt Oberle (president), Rick O’Neil (vice president), Norm Chauvette (treasurer), and Shirley Organ (secretary). A directors meeting was subsequently held on November 21, 2017 followed immediately by a members meeting. The purposes of these November 21, 2017 meetings were for the directors and members to approve several SHMOA bylaws amendments and also to approve the SMHOA budget. Both the proposed bylaw amendments and the SMHOA budget were unanimously approved. The following is a summary of the unanimously approved bylaw amendments:

Section Reference	Change
Recitals	Amend Recital A to change name of Developer from “Shadow Mountain Properties Ltd.” to “River’s Crossing Ltd.” Amend Recital B to delete “and construct the Golf Course”.
2.1	In the second sentence, replace “four or more Members who are Strata Corporations” with “two or more Members who are Strata Corporations”.
4.7	Delete “, and not more than 15 months after the holding of the last preceding annual general meeting”.
9.1	In the second line, replace “offices” with “officers”.
9.7	Replace the two references to “director” with “officer”.
17.1	In sub-paragraph (1) under “Speed Limit” replace “25 km per hour” with “30 km per hour”.

The SMHOA is in the process of completing the steps required to finalize its transition under the new *Societies Act* of British Columbia. The finalization of this transition is expected to be completed imminently and once completed the SMHOA bylaw amendments which were unanimously approved at the November 21, 2017 members meeting will be duly registered. The SMHOA governance is proceeding under the unanimously approved bylaw amendments and budget. The current members of the SMHOA are the following: the Developer; the West Strata Corporation (which became a member on its creation on December 15, 2009); The Owners, Strata Plan EPS153 (the “**East Strata Corporation**”) (the strata corporation forming part of the Community on the east side of Highway 95A which became a member on its creation on June 10, 2010); Shirley Organ (as owner of a subdivided lot on the east side of Highway 95A; and, the Golf Course Owner.

As the Community lands are subdivided by way of strata plan, the strata corporations created thereby will automatically become members of the SMHOA and each strata corporation within the Community will, in accordance with the SMHOA Bylaws, appoint one individual to the Board to serve as an appointed director for a term of one year. The term of each director appointed to the Board will terminate at the close of each annual meeting of the SMHOA, and the members in existence at that time, including the West Strata Corporation, will appoint, in accordance with the SMHOA Bylaws, one person to the Board to serve as an appointed director for a term of one year.

Budgets/Rent Charge/Shared Areas and Facilities – The SMHOA budget was unanimously approved at the members meeting of November 21, 2017. A copy of the SMHOA budget is attached as **Exhibit S-2**. The primary purpose of this budget is to manage shared Community costs and to establish a contingency fund to cover expenditures for any required non-annual repairs and maintenance. Member strata corporations, including the West Strata Corporation, collect the funds from their strata lot owners as part of their common expenses to cover the amounts to be contributed to the current operating account and the contingency fund as set out in the annual SMHOA budget. The obligation of each strata corporation to pay dues to the SMHOA will be secured by the Rent Charge (defined below) registered against title to each Strata Lot.

The SMHOA will be responsible for maintaining the Shared Areas and Facilities. The SMHOA will recover the costs for such obligations from the members of the SMHOA pursuant to a rent charge (the “**Rent Charge**”), in the form attached to this Disclosure Statement as **Exhibit K**. The Rent Charge is or will be registered against titles to the lands comprising the Community that will benefit from the Shared Areas and Facilities and will secure payment by the Strata Lot owners of all amounts owing from time to time to the SMHOA, including operating costs and other amounts, fees, costs and reimbursable expenses payable by the owners of the lands (the “**Secured Amounts**”), as more particularly set out in the SMHOA Bylaws.

The lands comprising the Shadow Mountain Golf Course and its related facilities are also charged by the Rent Charge.

The Rent Charge provides that payments due to the SMHOA are payable as and when they become due to the address of the SMHOA. The amounts payable to the SMHOA are to be allocated among the owners of lands charged by the Rent Charge in the manner set out in the following formula (also set out in the SMHOA Bylaws):

$$\text{The Shared Expenses} \quad \times \quad \frac{\text{Aggregate total of all Strata Lots in the SMHOA member's strata plan}}{\text{Aggregate total of all strata lots in all SMHOA members' strata plans}}$$

Provided that with respect to the Shadow Mountain Golf Course, for the purposes of the foregoing formula, it is deemed to have an aggregate total of 56 strata lots, allocated to the two legal parcels that comprise the Shadow Mountain Golf Course as follows: 50 strata lots to the Shadow Mountain Golf Course parcel to the west of Highway 95A and 6 strata lots to the Shadow Mountain Golf Course parcel to the east of Highway 95A.

SMHOA – Holder of Covenants and Statutory Rights of Way - The SMHOA has received a British Columbia Ministerial Designation under sections 218 and 219 of the *Land Title Act* permitting it to hold registered covenants and statutory rights of way that are charges against the Strata Lots, the Common Property and other lands located in the Community. The charges registered against the Strata Lots and Common Property are described in **Exhibit N-2**. These charges permit the SMHOA to control and deal with such matters as, but not limited to, the construction, installation, alteration, repair, maintenance and replacement of the Shared Areas and Facilities; snow clearing and snow storage; community mailbox; street lighting; storm water infrastructure; protection of certain ecological features; building restrictions and installation of water meters.

A copy of Statutory Right of Way CA1384501 in favour of the SMHOA is attached hereto as **Exhibit P**, and a copy of Covenant CA1384505 in favour of the SMHOA is attached hereto as **Exhibit Q**. Both of these charges are described in **Exhibit N-2**. The Statutory Right of Way sets out the rights and obligations of the SMHOA respecting the Shared Areas and Facilities and of the SMHOA to provide utility-type services. The Covenant requires owners to install a water meter to their Strata Lot at their expense, to use their Strata Lot in compliance with the SMHOA Bylaws, and in addition to complying with the Statutory Building Scheme and the Design Guidelines, to comply with any “improvement restrictions” imposed by the SMHOA.

Exhibits K, P and Q are attached to the Disclosure Statement.

Exhibit N-2 and **Exhibit S-2** are attached to the Second Amendment.

Section 7.4(e) regarding Marketing by Auction is added to the Disclosure Statement as follows:

(e) Marketing by Auction

The Developer has made arrangements with Ritchie Bros. Auctioneers (Canada) Ltd. to market and auction by an unreserved bid certain selected Strata Lots with the assistance of Tom Moran, licensed realtor in British Columbia with the brokerage of RE/Max Dawson Creek Realty.

The auction is scheduled for June 13, 2018. The Developer will provide to interested purchasers the details of the auction event. In addition, interested purchasers may learn more about the auction at

www.rbauktion.com/real-estate/cranbrook-bc-2018223

Purchasers are on notice that additional fees related to the auction process may be payable over and above the purchase price of the particular auctioned Strata Lot.

The Developer's regular sales program for the Strata Lots will continue before, during and after the auction event and any of the selected auction Strata Lots remaining after the auction event will return to the Developer's inventory for continued marketing in the usual course.

SIGNATURES

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 June 3, 2018.

SIGNED THIS 6th DAY OF june, 2018.

RIVER'S CROSSING LTD.

Per:


Authorized Signatory


Munir Virani
Director

RIVER'S CROSSING – WEST LOTS
LIST OF OWNERSHIP
Dated June 3, 2018

PID:	Legal Description:
028-124-634	Strata Lot 1, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-669	Strata Lot 2, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-685	Strata Lot 4, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-707	Strata Lot 6, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-731	Strata Lot 9, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-758	Strata Lot 11, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-766	Strata Lot 12, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-774	Strata Lot 13, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-804	Strata Lot 16, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-812	Strata Lot 17, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-821	Strata Lot 18, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-855	Strata Lot 21, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-944	Strata Lot 30, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-952	Strata Lot 31, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-979	Strata Lot 33, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-987	Strata Lot 34, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-124-995	Strata Lot 35, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-125-002	Strata Lot 36, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-125-126	Strata Lot 37, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)

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028-126-793	Strata Lot 109, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-807	Strata Lot 110, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-815	Strata Lot 111, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-823	Strata Lot 112, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-831	Strata Lot 113, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-840	Strata Lot 114, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-858	Strata Lot 115, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-866	Strata Lot 116, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-882	Strata Lot 118, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-912	Strata Lot 121, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-921	Strata Lot 122, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-939	Strata Lot 123, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-947	Strata Lot 124, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-955	Strata Lot 125, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-963	Strata Lot 126, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)
028-126-971	Strata Lot 127, District Lot 5267, Kootenay District, Strata Plan EPS136 and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP4579 as to limited access)

7.28.3 COMPREHENSIVE DEVELOPMENT ZONE 3: CD-3 Shadow Mountain

Purpose

The purpose of this Comprehensive Development Zone is to facilitate the orderly development of a comprehensively planned strata community. It includes a range of housing forms, recreational opportunities offered by an 18 hole golf course and the St. Mary River, and protection of key natural features in conformity with the Official Community Plan Bylaw, Schedule 1-4.

.1 Area of Application

Those lands shown as CD-3 on the Zoning Map, Schedule A.

.2 Permitted Uses

The following uses are permitted within specific "Districts" as identified in Section 7.28.3.6 District Regulations of this bylaw:

- (a) Golf course
- (b) Park
- (c) Community recreation use
- (d) Single family dwelling
- (e) Multiple family dwelling
- (f) Townhouse
- (g) Cluster development
- (h) Apartment
- (i) Private utility use
- (j) Neighbourhood convenience store

.3 Accessory Uses

- (a) Child care facility
- (b) Home based business
- (c) Secondary suite (single family residential district only)
- (d) Gas bar
- (e) Other accessory uses, buildings and structures, which are not in

conflict with Official Community Plan Bylaw, Schedule 1-4 and are accessory to a permitted use.

4 Subdivision Regulations

- (a) The development of residential districts in the Shadow Mountain Strata Development will progress in accordance and in sequence with the phasing plan as outlined in Official Community Plan Bylaw, Schedule 1-4.

5 Development Regulations

- (a) Development including but not limited to: vegetation clearing, soil removal or stockpiling and/or construction, within a conservation reserve, shall not be undertaken without prior written approval from the City.
- (b) In the case that a parcel includes a conservation reserve registered on title, the building setbacks shall be measured from the reserve boundary rather than the parcel line.
- (c) In the case that a parcel has a geotechnical no development line registered on title, the building setbacks shall be measured from the geotechnical boundary rather than the parcel line.
- (d) No perimeter fencing on residential parcels shall be permitted without the written authorization of the City.
- (e) Areas of impervious surface shall be minimized as part of the low impact development within this Comprehensive Development (CD-3) Zone to encourage storm water infiltration and reduce runoff.
- (f) The maximum width of an impervious surface for the parking of vehicles in the front yard of any residential parcel shall be 9.0 m or 50% of the front parcel width whichever is less.
- (g) No accessory building or structure shall be constructed within 1.0 m of the principal building.
- (h) The storage of large scale recreational vehicles, including but not limited to motor homes, trailers, and/or motorized boats, is not permitted in this CD- 3 Zone.
- (i) The storage of small scale recreational vehicles, such as all terrain vehicles, golf carts or snowmobiles, shall not be permitted in this CD-3 Zone, unless contained inside a building or common storage area.
- (j) No person shall use or permit the use of any portion of a parcel in the CD-3 Zone for the wrecking and repair of vehicles or for the storage of derelict vehicles.

- (k) All portions of a land parcel in the CD-3 Zone not occupied by buildings, structures or off-street parking, and that are not part of a conservation reserve, shall be landscaped and maintained in good condition.
- (l) Parking for all uses shall be as per Part 6 of the Zoning Bylaw plus on-site guest parking stalls within the single family residential districts to the satisfaction of the Approving Officer appointed by the City under the *Land Title Act* as amended.
- (m) All persons carrying out a use permitted in the CD-3 Zone shall comply with the applicable provisions of all other parts of this bylaw.

.6 District Regulations

.A Golf District

Purpose

The purpose of this District is to provide for private and public recreational uses that utilize open space for the purpose of constructing an 18 hole golf course with the associated infrastructure, ancillary uses, and an extensive trail network.

.1 Permitted Uses

Within the Golf District, the following uses only are permitted:

- (a) Golf course
- (b) Community recreation use
- (c) Park
- (d) Private utility use

.2 Accessory Uses

The following are permitted accessory uses for the Shadow Mountain Golf Course:

- (a) Golf clubhouse with eating establishment and drinking establishment(s), pro shop, rental facilities and accessory office space
- (b) Golf maintenance building and compound
- (c) Practice/training facilities including driving range and practice putting green

(d) A security suite, accessory to golf course, and located in the maintenance compound

(e) Other uses, buildings and structures accessory to a permitted use

.3 Parcel Area and Dimensions

(a) The minimum parcel size shall be 1.0 ha in area

(b) The minimum front parcel line shall be 20.0 m in length

.4 Density

(a) Not more than 10% of a parcel in the Golf District shall be covered with buildings and structures.

.5 Siting

(a) No portion of a building, structure or the maintenance compound shall be located within any conservation reserve.

(b) The minimum siting requirements for a building or structure require a:

(i) 9.0 m front yard setback

(ii) 6.0 m rear yard setback

(iii) 6.0 m interior side yard setback

(iv) 9.0 m exterior side yard setback

with the exception of the maintenance compound which shall have a rear yard setback of 15.0 m.

(c) The construction of all tee boxes, greens and fairways shall have a minimum 10.0 m buffer area when adjacent to all residential districts, this buffer may be reduced to 6.0 m provided the buffer is well treed and this vegetation is maintained.

.6 Size and Dimensions of Buildings and Structures

(a) The clubhouse shall not exceed a height of 15.0 m.

(b) The clubhouse shall not exceed 3,717.0 m² of gross floor area.

(c) One (1) maintenance building may have a height of up to 7.5 m.

(d) All other accessory buildings or structures shall not exceed a height of 4.5 m.

.7 Supplemental Conditions

- (a) Golf courses and associated golf driving ranges shall be designed to ensure that:
 - (i) Golf balls do not create a nuisance or a danger to any uses on an abutting parcel or highway
 - (ii) No lights are mounted so as to direct glare onto any residential parcel or any highway and,
 - (iii) No fence for the control of stray golf balls is located closer than 12.0 m to any parcel line and any such fence shall be kept in good repair and shall be bordered with appropriate screening and landscaping.
- (b) Landscape screening, shall be planted and/or maintained to effectively screen the maintenance compound from any adjacent Residential Zone.
- (c) All outside storage including the storage of equipment shall be screened by a 2.0 m high solid fence, when the storage areas are adjacent to Residential Zones and Districts.
- (d) All fairways, tee boxes and greens shall be designed to contain storm water and irrigation overflow on site. Drainage by means of bioswales shall direct excess water into manmade water features or dry wells.
- (e) Golf course parking lots and maintenance area shall be designed as low impact development.

.B Single Family Residential District - Small Lot

Purpose

The purpose of this District is to designate land for small lot residential development in a housing format designed to preserve topography, natural features, and environmentally sensitive areas.

.1 Permitted uses

The following uses are permitted:

- (a) Single family dwelling
- (b) Park
- (c) Private utility use

.2 Accessory Uses

- (a) Home based business
- (b) Residential office
- (c) Secondary suite
- (d) Other uses, buildings and structures that are accessory to a permitted use.

.3 Parcel Area and Dimensions

- (a) The minimum parcel area shall be 485.0 m².
- (b) The minimum front parcel line shall be 12.0 m

.4 Density

- (a) No person shall locate more than one (1) single family dwelling on a parcel in the Single Family Residential (small lot) District.

.5 Siting

- (a) No portion of a building, structure or paving shall be located within any conservation reserve, except through an ESA Development Permit.
- (b) The minimum siting requirements for a principal building, require a:
 - (i) 6.0 m front yard setback
 - (ii) 6.0 m rear yard setback, except when a parcel abuts the Golf District where it may be reduced to 3.0 m provided that the parcel does not contain a conservation reserve or that a conservation reserve does not exist in the Golf District immediately adjacent to the parcel
 - (iii) 1.8 m interior side yard setback
 - (iv) 4.5 m exterior side yard setback
- (c) No accessory buildings shall be permitted in the front yard and the minimum siting requirements for an accessory building or structure require a:
 - (i) 2.1 m rear yard, setback, except when the principal building setback has been reduced as per Section 7.28.3.B.5(b)(ii) in which case no accessory building or structure shall be permitted in the rear yard
 - (ii) 1.8 m interior side yard setback

(iii) 4.5 m exterior side yard setback

.6 Size and Dimensions of Buildings and Structures

Bylaw 3807, 2014
Adopted Sep 15, 2014
Bylaw 3857, 2016
Adopted Apr 25 2016

- (a) A principal building shall not exceed a height of 2½ storeys or 9.5 m whichever is lesser.
- (b) Secondary suites shall be permitted as per the regulations in Section 4.17 of this bylaw, except 4.17.2(c) with respect to size. For the Single Family Residential District – Small Lot, Section 7.28.3.B.6(b), the floor area occupied by a secondary suite shall not exceed 40% of the total living floor area of the building or 90.0 m², whichever is less. The living area of the building does not include attached storage garages.
- (c) No accessory building or structure shall exceed a height of 4.5 m
- (d) On parcels without conservation reserve, the parcel coverage shall not exceed 40% for the total of buildings, structures and impervious surfaces.
- (e) On parcels with conservation reserve, a maximum of 50% of the front yard, 25% of the rear yard may contain impervious surfaces and a maximum of a 3.0 m wide impervious surface shall be permitted on one (1) side yard.

C. Single Family Residential District - Estate

Purpose

The purpose of this District is to designate land for single family residential at a low density that provides greater spatial separation and a more rural character.

.1 Permitted Uses

The following uses only are permitted:

- (a) Single family dwelling
- (b) Park
- (c) Private utility use

.2 Accessory Uses

- (a) Home based business
- (b) Residential office

- (c) Secondary suite
- (d) Other uses, buildings and structures that are accessory to a permitted use.

.3 Parcel Area and Dimensions

- (a) The minimum parcel size shall be 1,200.0 m²
- (b) No parcel shall be created that has a front parcel line less than 12.0 m

.4 Density

- (a) No person shall locate more than one (1) single family dwelling on a parcel in the Single Family Residential District – Estate.

.5 Siting

- (a) No portion of a building, structure or paving shall be located within any conservation reserve, except through an ESA Development Permit.
- (b) The minimum siting requirements for a principal building require a:
 - (i) 6.0 m front yard setback
 - (ii) 6.0 m rear yard setback except when a parcel abuts the Golf District where it may be reduced to 3.0 m provided that the parcel does not contain a conservation reserve or that a conservation reserve does not exist in the Golf District immediately adjacent to the parcel
 - (iii) 3.0 m interior side yard setback
 - (iv) 6.0 m exterior side yard setback
- (c) No accessory buildings shall be permitted in the front yard and the minimum siting requirements for an accessory building or structure require a:
 - (i) 3.0 m rear yard setback except when the principal building setback has been reduced as per Section 7.28.3.C.5(b)(ii) in which case no accessory building or structure shall be permitted in the rear yard.
 - (ii) 2.5 m interior side yard setback
 - (iii) 6.0 m exterior side yard setback

.6 Size and Dimensions of Buildings and Structures

Bylaw 3807, 2014
Adopted Sep 15, 2014

Bylaw 3857, 2016
Adopted Apr 25, 2016

- (a) A principal building shall not exceed a height of 2½ storeys or 9.5 m
- (b) Secondary suites shall be permitted as per the regulations in Section 4.17 of this bylaw, except 4.17.2(c) with respect to size. For the Single Family Residential District – Estate, Section 7.28.3.C.6(b), the floor area occupied by a secondary suite shall not exceed 40% of the total living floor area of the building, or 90.0 m², whichever is less. The living floor area of the building does not include attached storage garages.
- (c) No accessory building or structure shall exceed a height of 4.5 m
- (d) On parcels without conservation reserve, the parcel coverage shall not exceed 40% for the total of buildings, structures and impervious surfaces
- (e) On parcels with conservation reserve, a maximum of 50% of the front yard 25% of the rear yard may contain impervious surfaces and a maximum of a 3.0 m wide impervious surface shall be permitted on one (1) side yard.

.D Multiple Family Development District Purpose

The purpose of this District is to provide for a variety of multiple family dwellings in a range of densities. Refer to Section 7.28.3.E.7 of this zone for the Concept Development Plan and location of the five (5) multiple family parcels.

.1 Permitted Uses

The following uses only are permitted:

- (a) Townhouse
- (b) Apartment
- (c) Cluster development
- (d) Park
- (e) Private utility use

.2 Accessory Uses

- (a) Residential office
- (b) Common storage area
- (c) Other uses, buildings and structures that are accessory to a permitted

use.

.3 Parcel Area and Dimensions

- (a) No parcel shall be created which has a front parcel line less than 12.0 m in length.
- (b) Where a parcel with a townhouse located on it is subdivided along a common wall, the front parcel line shall be not less than 6.0 m in length for each parcel created by the subdivision.

.4 Amenity Space

- (a) Multiple family dwellings shall provide 15.0 m² of common amenity area per dwelling unit

.5 Density

- (a) The maximum permitted number of dwelling units per gross hectare on a parcel are as follows:

(i)	Parcel A	2 <u>dwelling units</u>	<u>per gross hectare</u>
(ii)	Parcel B	76 <u>dwelling units</u>	<u>per gross hectare</u>
(iii)	Parcel C	100 <u>dwelling units</u>	<u>per gross hectare</u>
(iv)	Parcel D	105 <u>dwelling units</u>	<u>per gross hectare</u>
(v)	Parcel E	91 <u>dwelling units</u>	<u>per gross hectare</u>

- (b) Where additional common amenity area is provided on parcels B, C, D and/or E, a density bonus of one (1) additional dwelling unit per 18.0 m² of additional common amenity area may be located, to a maximum density as follows:

(i)	Parcel B	98 <u>dwelling units</u>	<u>per gross hectare</u>
(ii)	Parcel C	130 <u>dwelling units</u>	<u>per gross hectare</u>
(iii)	Parcel D	136 <u>dwelling units</u>	<u>per gross hectare</u>
(iv)	Parcel E	118 <u>dwelling units</u>	<u>per gross hectare</u>

- (c) Where concealed off-street parking spaces are provided on parcels B, C, D and/or E, a density bonus of one (1) additional dwelling unit per two (2) concealed off-street parking spaces may be located, to a maximum density as follows:

(i)	<u>Parcel B</u>	98 <u>dwelling units</u>	<u>per gross hectare</u>
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- (ii) Parcel C 130 dwelling units per gross hectare
- (iii) Parcel D 136 dwelling units per gross hectare
- (iv) Parcel E 118 dwelling units per gross hectare

.6 Siting

- (a) No portion of a building, structure or impervious surface shall be located within any conservation reserve, except through an ESA Development Permit.
- (b) The minimum siting requirements for a principal building are:
 - (i) 7.6 m front yard setback
 - (ii) 7.6 m rear yard setback, except that it may be reduced to
 - (A) 5.0 m when abutting the Golf District, provided that there is no conservation reserve on the parcel or on the golf course immediately adjacent to the parcel
 - (iii) 4.5 m interior side yard setback except that it may be reduced to:
 - (A) 3.0 m when abutting the Golf District, provided that there is no conservation reserve on the parcel or on the golf course immediately adjacent to the parcel, and
 - (B) shall be increased to 7.6 m for four (4) storey buildings
 - (iv) 7.6 m exterior side yard setback, except that it may be reduced to:
 - (A) 4.5 m for a building that is two (2) storeys or less in height and where no driveway or off street parking is situated within the front yard setback.
- (c) No accessory buildings shall be permitted in the front yard or exterior side yard and the minimum siting requirements for an accessory building or structure require a:
 - (i) 3.0 m rear yard setback and where the rear yard setback for the principal building has been reduced, an accessory building or structure shall not be permitted in the rear yard
 - (ii) 3.0 m interior side yard
- (d) No common storage area is permitted within the front yard, exterior

sideyard or where the rear yard setback has been reduced. Otherwise, a common storage area shall have the following setbacks:

- (i) Rear yard 3.0 m
- (ii) Interior side yard 3.0 m

.7 Size and Dimensions of Buildings and Structures

- (a) A principal building shall not exceed a height of 30.0 m on Parcels B, C, D and E and shall not exceed a height of 9.5 m on Parcel A.
- (b) An accessory building or structure shall not exceed a height of 4.5 m.
- (c) Not more than 70% of the developable area of a parcel shall be covered with buildings, structures and off-street parking areas.
- (d) The distance between facing buildings greater than 12.0 m in height shall be a minimum of 30.5 m.

.E Neighbourhood Commercial District Purpose

The purpose of this District is to provide for the daily convenience shopping needs of local area residents.

.1 Permitted Uses

The following uses only are permitted:

- (a) Neighbourhood convenience store

.2 Accessory Uses

- (a) Gas bar
- (b) Dwelling unit, accessory to a permitted use
- (c) Office accessory to a permitted use
- (d) Accessory eating establishment, excluding drive-in food service
- (e) Other uses, buildings and structures accessory to a permitted use.

.3 Parcel Area and Dimensions

- (a) The minimum parcel size shall be 2,023.0 m².
- (b) The minimum front parcel line shall be 20.0 m in length.

.4 Siting

- (a) No portion of a building, structure or impervious surface shall be located within any conservation reserve.
- (b) The minimum siting requirements for a principal building require a:
 - (i) 7.6 m front yard setback
 - (ii) 6. m rear yard setback
 - (iii) 4.5 m interior side yard setback
 - (iv) 6.0 m exterior side yard setback
- (c) The minimum siting requirements for an accessory building, structure or parking in all yards shall be a 4.5 m.

.5 Size and Dimensions of Buildings and Structures

- (a) No building or structure shall exceed a height of 7.6 m.
- (b) A maximum of 50% of the developable area of a parcel shall be covered with buildings and structures.
- (c) A minimum of 20% of the locate shall be landscaped.

.6 Supplemental Conditions

- (a) Any outdoor storage shall be screened with a solid fence of 2.1 m high.
- (b) Where a dwelling unit is proposed, it shall be designed and constructed as an integral part of the principal building.
- (c) All portions of a parcel in this District not occupied by buildings, structures, outdoor patio, pedestrian circulation, outdoor storage, off street parking, drive aisles and not in a covenanted area shall be landscaped and maintained in good condition.

.7 Development Concept Plan






See color map next page

EXHIBIT E-2

Part 7.28.3
Comprehensive Development Zone 3: CD-3
Shadow Mountain

Zoning Bylaw No. 3737, 2012

LEGEND:

-  SINGLE-FAMILY RESIDENTIAL DISTRICT - ESTATE
-  SINGLE-FAMILY RESIDENTIAL DISTRICT - SMALL LOT
-  MULTIPLE FAMILY RESIDENTIAL
-  NEIGHBOURHOOD COMMERCIAL DISTRICT
-  GOLF DISTRICT

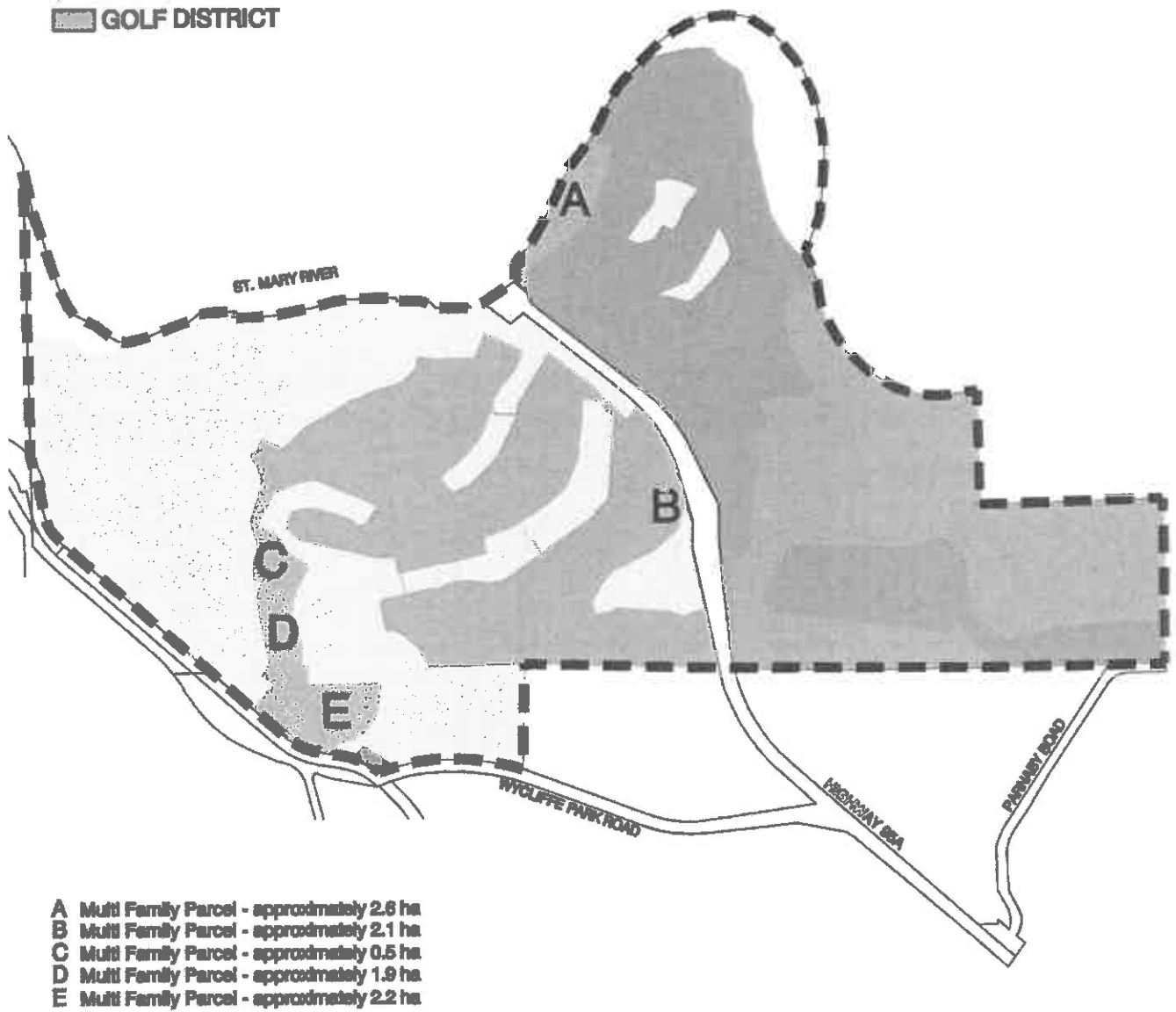


EXHIBIT “G-2”

RIVER’S CROSSING DESIGN GUIDELINES

INTRODUCTION AND OVERVIEW

Every bare land strata lot (each, a “Lot” and, collectively, the “Lots”) at River’s Crossing (the “Community”) is subject to a statutory building scheme (the “Building Scheme”) registered against title to the Lot. The Building Scheme establishes certain restrictions for the Community by setting out additional details for the design of all improvements to be constructed on the Lots (“Improvements”). These Design Guidelines are intended to:

- Preserve and maintain the inherent qualities of the Community’s environment
- Promote a sense of cohesiveness and standards that visually unite the Community with architectural design, landscape design and site planning
- Preserve quality, integrity and enduring value for every Lot owner
- Allow Lot owners the flexibility within the Design Guidelines to explore personal expression, resulting in inspiring, innovative and creative Improvements
- Set out the approval process for home design reviews, and construction regulations.

While these Design Guidelines have been prepared pursuant to the Building Scheme, the Lot owners are also subject to the zoning bylaw of the City of Cranbrook and the British Columbia Building Code (collectively, the “External Governance”), the bylaws and regulations of the Shadow Mountain Homeowners Association (collectively, the “SMHOA Governance”) and the bylaws and rules of the strata corporation of which the Lot forms a part (the “Strata Corporation Governance”. (The External Governance, the SMHOA Governance and the Strata Corporation Governance are defined collectively as the “Governance”). If there is a conflict between any of the Governance provisions and these Design Guidelines, then the most restrictive Governance provision shall prevail. The Administrator (as defined in the Building Scheme) or the Designate (as defined in the Building Scheme) will be responsible for all approval matters in respect of these Design Guidelines, as determined pursuant to the Building Scheme.

Each Lot owner is responsible for obtaining a copy of the most recently revised Design Guidelines before starting on any Improvements to the owner’s Lot.

Design Objectives

To retain the natural grassland, banks and rolling hills feel of the Community, the Improvements must not overcome the natural environment. Integrating topography, trees, vegetation, and other natural features of the land is critically important. Accordingly, all Improvements should be oriented and designed in response to the individual characteristics of each Lot and the Community as a whole. The siting of the Improvements is the first stage of design review.

Improvements should be low profile, below or matching the skyline when viewed from a distance, and maintaining site lines to hills, mountains, woodlands and water. In short, Improvements should blend in rather than stand out. In general, height restrictions will limit Improvements to 1.5 standard stories, although some sites may be able to accommodate two stories. The local natural feel must not be overwhelmed by cityscape (e.g., grass lawns, paving, and non-native plants). The exterior shape and

EXHIBIT "G-2"

design of Improvements should complement the natural environment. The Lot owner's schematic drawings demonstrating this are the second phase of the design review.

The colours and materials of Improvements must also complement the natural environment. This can be achieved with natural materials, stone, brick or some man-made materials in appropriate colours. Appropriate colours include the muted colour tones visible in the grassy areas, hills, trees and mountains.

Harsh artificial materials and large expanses of primary colours will not achieve this intent. Materials and colours, therefore, are the third stage of design review, in conjunction with a review of complete building plans.

Finally, the landscaping around the Improvements must complete the blending of the Improvements and the Lots. Each Lot requires a landscape plan (after construction) to do so; this is the final stage of design review.

PROCESS

Submission of Plans and Specifications

Plans and specifications for the construction or installation of any Improvements must be submitted to the Developer, as the Administrator under the Building Scheme, at the following address:

River's Crossing Ltd.
201 – 1230 91 Street SW
Edmonton, Alberta T6X 0P2

The Administrator reserves the right to approve or reject a plan or design for any improvements as it deems necessary for the better aesthetic appearance or function of the Community. The Owner shall pay to the Administrator a reasonable fee or hourly rate for the review and processing of the Owner's plans and specifications. Such fees shall be payable in advance with the plans and specifications approval request. The approval by the Administrator is not a warranty as to the fitness of the improvements or their compliance with building regulations. The Owner shall not change the plans or specifications unless the Administrator agrees. Any cost or expense to the Administrator associated with any changes requested by the Owner and approved by the Administrator will be paid for by the Owner.

Along with obtaining all necessary approvals pursuant to the Building Scheme, each Owner must obtain all necessary governmental approvals. Approval of any Improvements by the Administrator does not waive the requirement for an owner to obtain permits in accordance with all applicable Governance. The Administrator is not be responsible for reviewing and/or approving any Improvement plans and specifications for engineering design, structural engineering and safety, or for compliance with any applicable Governance. Plans and specifications are to be prepared in accordance with all applicable Governance. Design approval is valid for commencement of construction for 18 months.

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By the way of illustration, but without limitation, the following improvements require approval under the Building Scheme:

- New construction or installation including dwellings, garages, fences, retaining walls, steps, awnings, canopies, poles, trellises, patio overheads or decks, gazebos, sun decks, wind screens, game courts, swimming pools, fountains, spas, hot tubs, recreation apparatus, and exterior lighting, sound systems and solar energy systems
- Installation or modification of landscape, hard scape, trees, shrubs, plants, irrigation or drainage systems, recreation areas or courts and surface drainage revisions

Subsequent changes or other improvements to the Lot or the Improvements thereon after completion of the initially approved and/or constructed Improvements including landscaping must be submitted through the same design review procedure for approval.

The Administrator reserves the right to amend these Design Guidelines from time to time. If the Administrator exempts a Lot from the application of the Building Scheme pursuant to section 10 thereof then, for greater certainty, such Lot shall be exempt from the provisions of these Design Guidelines.

Security Deposit

The Owner agrees that all requests for approval under the Building Scheme and these Design Guidelines shall if requested by the Administrator be accompanied with a construction security deposit of \$5,000.00, which shall be held by the Administrator, as security to

- a) ensure compliance with the Building Scheme;
- b) repair any damage to common property or strata lots, subdivision services or municipal services (including without limiting the generality of the foregoing, sewer lines and water lines); and
- c) carry out any street cleaning, clean-up of common property areas or strata lots required as a result of the dwelling or house construction.

The security deposit shall be held by the Administrator until all work, including without limitation, construction of the dwelling or house, driveway, landscaping, walls/fencing and clean-up, has been completed to the Administrator's satisfaction.

In the event that the Administrator is not satisfied as provided above and there is further repair or cleaning required to the common property or strata lots then the Administrator may deduct the cost of all necessary repairs and cleaning from the security deposit and use such funds to make such repairs and undertake such cleaning. Any balance remaining of the security deposit shall be returned to the Owner within ten days after completion of the proposed building or dwelling, completion of the repairs and cleaning to the common property or strata lots, as the case may be. In the event that the security deposit is not sufficient to pay the cost of the repairs or cleaning to the common property or strata lots, then the Owner shall remain liable for any shortfall and such shortfall shall be a debt immediately due to the Administrator.

EXHIBIT "G-2"

GUIDELINES

Building Envelope and Buildings

On each Lot, a building envelope (the "Building Envelope") will be established to define the area in which Improvements can be sited on a Lot. Setbacks from Lot lines to the Building Envelope will vary with the specific natural features of individual Lots. For example, a Lot near water will have a Building Envelope set back from the water to limit the impact on established wildlife habitats. Shared driveways are encouraged to reduce construction impacts. Minor natural areas and washes are important biological habitats and should be preserved.

Where permitted by the Governance, a guest house should be designed as a single visual element with the home on the Lot and should be visually connected by walls, courtyard, or other major landscape elements. A guest suite, without a kitchen, may be constructed on some Lots larger than 10,000 square feet, either detached from or attached to the home on the Lot, with the approval from the Administrator under the Building Scheme and as permitted by the Governance.

Siting, Massing, Scale, and Proportion

Within the Building Envelope, the massing of the Improvements should be organized as a whole and should not appear as a mixture of unrelated forms. The massing of the forms comprising the home should be established by the elements that are characteristic of the architectural style, and should be suitable for the Lot as a whole. Bulky Improvements that overwhelm the natural setting will not be permitted. The following techniques are appropriate to achieve proper siting, massing, scale, and proportion:

Location and Form

- Sensitivity to design and siting of the home among various ecological elements
- Varied setbacks for components such as the garage, porches, decks and entries
- Staggered offset wall planes on each facade
- Massing characterized by a series of stepping forms
- Facade element breaks on both front and rear facades of the building

Roof Form and Configuration

- Pitched roof lines compatible with the overall character of the local topography
- Primary roof forms of gables and hips with multiple combinations
- Punctuated roof plans with window or vented dormers
- Pitched roof lines should not extend more than 50 feet in any direction without either a vertical or horizontal change in direction
- Overhangs proportionate to the building (larger overhangs are encouraged)

Building Exterior Treatment

- Combinations of the various approved finished materials
- Use of material change (vertical and/or horizontal) to break up building form and create movement along the façade
- Dominant material may comprise a maximum of 70% of each primary elevation

EXHIBIT "G-2"

- Walkout basement walls should be an extension of the main structure, using materials such as brick and stone to form the base and transition to the ground plane
- Exposed unfinished concrete footings should extend less than 15cm above finished grade
- Stone and brick, where applied, should penetrate the ground plane, so as not to appear as a veneer
- Finishes should not terminate on outside corners; the minimum wrap back is two (2) feet

Porch and Deck Details

- Limitless opportunities to express individual style
- Utilize shade structures, canopies and walkways
- Outside people gathering and activity spaces are strongly encouraged
- Strong horizontal base with ground hugging massing
- Porches may be combined with entry elements
- Broad porches with depth of 10 feet or more are encouraged
- Railings are preferred to be wood, aluminum, or simple wrought iron
- Deck support or porch columns must be in proportion to the application
- Minimum 15cm x 15cm high quality composite columns accented with trim or knee braces, etc., or stone column bases, arc strongly encouraged

Entrance Forms

- Entryways should be a prominent element, private but inviting, and elegant within the home context
- Symmetrically or asymmetrically located
- Minimum width six (6) feet; maximum height 1 ½ stories
- Columns of wood, brick and stone are encouraged, proportionate with the scale of the entryway, without overemphasizing vertical aspects
- Side lights and transoms are encouraged at entry doors

Doors and Windows

- Window projections and window/door detailing patterns should be compatible in scale with the house and architectural style
- Large wall expanses with undersized window and minimal detailing are inappropriate
- Window, header heights should adjust with varying plate heights
- Sill heights at front facades should adjust with varying plate heights
- Window and door treatment characteristics include:
 - Hard and soft flattened arches
 - Multi paned windows
 - Oversized shutters, matching window shape and proportions
 - Bowed or angled bays
 - Stone, brick, wood and quoin window and door surrounds
 - Front doors with sidelights and transoms
 - Planters and pot shelves
 - Accent windows in various shapes

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Distinctive Details and Features

- Roof dormer vents in various shapes and sizes
- Louvered vents at gable ends
- Lighting fixtures
- Painted gutters and downspouts
- Trellises
- Chimneys in stone, brick, stucco accent and siding
- Wood corbels
- Wainscoting with transitions material change
- Knee braces at columns and cantilevered elements

Garages, Accessory Buildings and Parking Requirements

Many people underestimate their requirements for vehicle parking and storage space in garage layout. Larger garages are encouraged in the Community, especially when there is a need for truck parking space. Garages, however, must not dominate the street view of the home.

- Garages are required for all homes. All homes will require two-car garages, minimum.
- Garages may be detached, integrated into the main structure, or connected to the home through the use of a breezeway, garden room or other similar elements.
- Integrated garages should be visually removed to reduce the impact onto the street
- Split and/or separate garage doors are encouraged. No garage door may be larger than a double door. Street facing garages should have single doors, offset, for two car garages
- Rear, three/four car tandem, split designs, and subterranean garages are permitted
- All garages must be fully enclosed. Carports are prohibited.
- Design of accessory buildings must reflect the selected architectural style of the home, and must be sited appropriately within the Lot
- Homes having separate entrance basement suites must provide the equivalent of 4 (four) parking stalls exterior to the garage

Height of Improvements

Improvements cannot appear excessive in height when viewed from the street or other Lots anywhere in the Community. Because the terrain varies throughout the Community, Improvement height restrictions will be evaluated on a Lot-by-Lot basis; height restrictions on most Lots will be limited to 24-25 feet above natural grade, roughly two stories, although some Lots may be able to accommodate more than two stories. Specifically, i) bungalow living space shall be 1200 square feet above grade minimum; ii) grade entry living space of 1200 square feet minimum on the main living level (level which includes the kitchen), and iii) two story to be 1500 square feet minimum calculated by the sum of the main floor plus ½ of the upper floor.

The main floor "living area" of a home on a Lot must comprise a minimum of 1200 square feet. For greater clarity the phrase "living area" shall not include any basement, patio, porch, garage, sundeck or outdoor area.

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Vertical projections (e.g. chimney flues) will be reviewed on an individual basis in the context of each Lot, its surroundings and natural terrain, and the other Improvements on the Lot.

Retaining walls and other walls not directly supporting an Improvement, except screen walls, shall not exceed eight (8) feet in height, measured from the lowest natural grade (measured on the outside of the wall) adjacent to the wall. The appearance of such walls over six (6) feet in height must incorporate a six-foot separation between walls, to be softened by landscaping. Retaining walls which directly support an Improvement will be considered part of the elevation and will therefore be included in the overall height restrictions as listed above and will be reviewed accordingly. Screen and free-standing walls may not exceed four (4) feet in height measured from the lowest natural grade adjacent to such walls. Retaining walls must meet all City engineering standards.

Materials

Building Materials

Building materials are an important element in maintaining the overall character of the Community. Imaginative use of a combination of materials can create unique designs and a distinctive individual identity for each Lot. Additional materials may be permitted, but are subject to review and approval. The listing below includes the preferred materials for construction.

Exterior Wall Surfaces

A combination of materials and/or finishes is encouraged. To maintain the general character of the Community, earth tones and natural finishes are the most appropriate.

Appropriate:

- Natural stone such as sandstone, limestone, granite and flagstone
- Stone cuts with joints rake, pointed, or drystacked. Stone masonry reflective of the surrounding natural environment is preferred over brick masonry.
- Textured decorative block
- Brick in earth tones, with modeled faces; no combed or raked surfaces
- Masonry elements must be integral to the architecture, not merely an applied feature. Masonry shall wrap masses in their entirety
- Stone grouting thickness should be understated in proportion to stone thickness, or not visible. Large mortar joints and "weeping mortar" are not permitted
- Exposed wood timbers & logs (may be rough sawn)
- Hardi plank and Hardi shingles
- Lapped tongue and groove shall only be composite material related to wood not including soffits
- Stucco - in appropriate combination with other materials
- Simulated wood decking - Trex or similar in appropriate colours

Inappropriate:

- Brick accents in white, gray and red
- Exposed concrete

EXHIBIT "G-2"

- Vinyl
- Unpainted steel or aluminum

Roof Material Appropriate:

- Asphalt (25 year min), slate and concrete flat tile shingles
- Monochromatic roof shingles are not permitted
- Tile Metal roofing in non glare finishes and appropriate colours may be acceptable

Inappropriate:

- Flat roofs
- Shakes
- "S" tile

Windows, Doors and Garage Doors

- Wood windows are highly encouraged; however, appropriately coloured aluminum and vinyl are permitted. Natural aluminum is prohibited
- Wood tilt up, barn style and sectional roll up doors are permitted
- Garage doors should blend into the overall colour scheme to de-emphasize the prominence of the door

Paving Materials

- Natural stone (including, but not limited to; sandstone, limestone, granite and slate)
- Flagstone
- Natural stone colour exposed aggregate, unit pavers, or stamped concrete
- Wire cut brick
- Fired clay or pre-cast concrete pavers, including interlocking pavers
- Decomposed granite
- Turf block, grass-crete or equal
- Predominantly black or gray coloured pavement
- Double penetration coat chip seal

Chimneys

- Brick, stone, stucco and siding, and combinations of these materials are acceptable
- Exposed metal flues are not acceptable
- Caps must be painted to complement the home colours

Skylights

- Skylights must be designed as an integral part of the roof, energy conserving, and consistent with the materials of the home
- Glazing must be clear or solar bronze; framing materials bronze, or matching the roof

Flashing

- All flashing and sheet metal must be coloured to match adjacent material

EXHIBIT “G-2”

Vents

- All vent stacks and pipes must be coloured to match the adjacent roof or wall material
- Vent stacks should be grouped on the side or rear of the roof when possible
- Vents should not extend above the ridge line

Antennas

- television, radio, and CB antennas, satellite dishes larger than 18”, and any other broadcasting devices on the exterior of the house, are prohibited
- Ground or structure mounted satellite dishes are subject to review and approval, and must be appropriately screened and in compliance with any applicable ordinances

Colours

Colour acts as a critical element reflecting the Community’s integration into the natural landscape and surroundings. Subdued colours, earthy in nature, blend naturally with the setting and should be used as predominant colours throughout the community. All exposed wood finished and detailing must be painted appropriate colours or stained. Blending colours is encouraged to exhibit a greater sense of richness and capture the natural variation between different materials and within materials such as natural stone. A wide range of trim and accent colours are permitted on Improvements to add variety and character, but must be approved as part of the review and approval process. Any repainting or redecorating of exterior surfaces will also require submission of a colour scheme for approval under the Building Scheme unless repainting with the same colours.

Decks, Patios, and Courtyards

All exterior decks, patios, and courtyards should be within the Building Envelope and as Improvements are subject to approval hereunder. Decks must be compatible with the terrain and must be designed using materials, textures and finishes consistent with the home’s architectural style. Pressure treated wood must normally be painted or stained, but may be unstained in certain areas with approval hereunder.

Patio Structures and Attachments

Patio structures, trellises and gazebos must be built within the Building Envelope and must be consistent with the design of the Improvements. Built in barbecues or gas fireplaces must be contained within the rear yard patio or courtyard. Chimney elements must be sited to avoid obstructing views from adjacent lots and must be set back a minimum of 10 feet from any side or rear view fence panel.

Playground Equipment

Playground equipment and structures and their locations are subject to review and approval hereunder.

Greenhouses

Greenhouses must be approved hereunder and designed as an integral part of attached to the home. Greenhouses must not be visible from the street.

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Driveways and Driveway Monuments

Each Lot owner is responsible for extending the driveway to the edge of the street pavement. All repairs due to driveway connection to the street are the responsibility of the Lot owner. Driveways should be curvilinear where possible rather than linear to create a more interesting and varied streetscape.

All Lots are required to have at least one street-side driveway monument located at the point where the driveway intersects the Lot line nearest the street. It may be as simple as a large post or a more elaborate entry monument designed and constructed of materials compatible with the exterior of the Improvements. Regardless of the design, the monument must incorporate a primary light and address numbers.

The monument lights must operate on a light sensor that is lit every night. It will be the Lot owner's responsibility to replace the light bulbs as necessary. Motion sensor lights are not permitted at the street side location.

Mailboxes and Newspaper Boxes

Individual mailboxes are not permitted. Canada Post approved mailbox clusters will be provided in designated locations in the Community.

Water and Electric Meters and Mechanical Equipment

Each Lot must have a water meter and an electrical meter. Meters must be appropriately screened with landscaping materials or enclosed in cabinets as part of the primary home architecture, and must conform to all local utility and building codes.

Air conditioning, heating and soft water equipment must be screened from view and be insulated for sound attenuation. Wall or window units must be appropriately screened from view, and sound insulated to minimize noise impact on adjacent properties. Roof mounted air conditioning units are prohibited.

Utility and Service Lines

No gas, electric, power, telephone, water, sewer, cable television or other utility or service lines of any kind may be placed, allowed, or maintained upon or above the ground of any Lot except to the extent, if any, that underground placement may be prohibited by law or would prevent the subject line from being functional. Above ground service pedestals, splice boxes, switch cabinets and transformers will be permitted, where required for public utilities or landscaping of Common Areas; these above ground items must be appropriately screened.

Sewage Grinder Pump System

Because of the low pressure sewage system lateral connections respecting all of the phase 1 Lots of the East Lots, Lots 61-67 (Phase 2) of the West Lots and other lots as advised by the Administrator, the Administrator requires the owner of each of these Lot to install on the Lot at their expense either:

EXHIBIT "G-2"

- an outdoor E/One sewage grinder pump and holding tank system (DH071 model to the necessary height) (as specified by the Administrator), or
- an equivalent that is designed, signed and sealed by a professional engineer with experience associated with low pressure sewer community systems

complete with electrical connection and panel and alarm system (the "Grinder Pump System").

The offsite sewage force main collection design requires that the onsite Grinder Pump System be compatible with and not have a negative impact on all services connected to the same force main. Ownership and operation of the Grinder Pump System and assemblies will be the responsibility of the Owner.

Signage

Temporary signs, such as construction signs, must be approved and meet standards.

Temporary construction signs shall be limited to one sign per site not to exceed eight (8) square feet of total surface area. The sign shall be free standing and the design and location of such a sign shall first be approved by the Administrator to meet the following criteria:

- Signs shall be single faced panel type. No additional sign may be attached to any construction sign either by fastening directly to the main sign or by suspension below it
- Information such as "For Sale", "Available" or similar language, or description phrases such as "3 Bedroom" may not appear on any construction sign
- Colours of sign background should be muted earth tones, harmonizing with the natural colours rather than contrasting with them. Such signs may not be lighted, therefore, letter colours should harmonize with the background colours while providing contrast to enable the sign to be read from approximately twenty feet away
- Construction signs must be removed at the time Improvements are substantially complete, or when the Administrator reasonably directs the sign to be removed

House Numbers

Two (2) house number/address signs are required per Lot. One sign shall be located on either the garage or entry of the house. The other shall be located on the driveway monument and lighted for nighttime visibility from the street.

LIGHTING

The lighting criteria for the Community are intended to create a unified, natural effect that will not interfere or compete with nighttime views. High intensity exterior lighting is not permitted. Lighted driveway monuments, house identification lighting and entry lighting are required. Additional exterior lighting should be diffused and low intensity. No upward directed lighting will be permitted without effective shielding.

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Additional lighting may only be approved if it is limited to a small area within the Building Envelope and will not result in excessive glare. To allow each owner the flexibility and freedom to creatively resolve unique conditions, the acceptability of each installation and its resultant light levels and visual effects on nearby and adjacent Lots and common property will be determined on a case by case basis.

As part of the landscaping plan for each Lot, a lighting plan including all lighting designs and location must be submitted for approval hereunder. A lighting design approved as part of the review process must be in strict compliance with these Design Guidelines. However, alternative installations will be reviewed in the field if requested by the owner in writing. To avoid excessive costs, any variations from the approved final design should be mocked up for review prior to permanent installation.

Exterior Lighting

Decorative architectural night lighting is required for each Lot in addition to the driveway monument. A wall mounted pedestrian light post or recessed light fixture is required near or directly on the entrance of each home. Light fixtures must have internal reflectors to minimize the spread of light outside the lighted or upward, area and shielded to prevent any spill-over onto adjacent properties. No mercury vapour, metal halide or other "farm" type area lights are permitted. Exterior lighting means all light sources located outside the home that serve one of three general purposes for the visual enjoyment of outdoor living spaces as characterized below: safety, security and recreational.

Safety Lighting: Safety lighting is to be low voltage lighting mounted in a low profile manner may be used to illuminate vehicular and pedestrian circulation and assist in circulation outdoors.

Security Lighting: Security lighting is intended to provide bright illumination during emergency situations only, which may include unauthorized trespass, unusual or threatening sounds and/or activities. Such lighting must be circuited and controlled separately from any and all other lights, and must be directed towards the home and not the street or the general surroundings. All security lighting must be controlled by sensors.

Recreational Lighting: Recreational lighting illuminates exterior living areas, such as patios, landscaping behind walls, or in private areas. This lighting is to be used only during waking hours. Lighting for visual enjoyment may also provide for safety requirement around outdoor living areas and safety lighting may contribute to the visual enjoyment of the landscape. However, because of differences in the frequency and duration of use, these lighting functions must be circuited and controlled separately to minimize unnecessary lighting.

Wattage

The maximum wattage of any exterior light fixture is 60 watt or incandescent equivalent.

Mounting

Unless otherwise approved hereunder, all exterior lighting shall be mounted in the ground or on a post not exceeding 45cm above grade, or in or upon a wall not exceeding eight (8) feet above grade.

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Aiming

Upward directed lights that spill light into the night sky will not be approved. Any upward directed lights must be shielded and aimed so that the focus of the light source is within 10 degrees of vertical, except for fixtures mounted below a roofed patio area, for which the light source must be fully shielded behind the eaves.

Downward directed lights must be mounted in an approved manner and must be aimed downward within 10 degrees of vertical and shielded so that no light source is directly visible. Downward directed light may not be approved if it appears excessive, inappropriate or not in conformance with any of the Design Guidelines.

Holiday Lighting

Lighting for holidays is allowed, however, every effort should be made to mount such displays in locations that are not obtrusive to, or will not damage the natural environment. All holiday lighting should be in place for only 30 days prior to and five days after the date of holidays.

Interior Lighting

Interior lighting must not cause glare when seen from the neighbouring Lots or common property. Special attention should be given to the aiming and brightness of display lighting and other intense accent lighting as it may be reflected to the exterior, particularly through high windows, clerestories or skylights. No light sources pointing up or out or directly visible through high windows, clerestories, or skylights are allowed. Darkly tinted glazing may be used on skylights and clerestories, and dark tinting of glass areas or the use of window coverings at other doors and windows may be required to reduce light spill from interior spaces that may require high light levels. As it may be difficult to anticipate all conditions that could lead to concerns with interior lighting, modifications may be required after completion of home construction but prior to final approval of construction hereunder.

LANDSCAPING

The Community's landscape concept promotes integration of each Lot and the Improvements thereon into the natural beauty of the surroundings, relying on the use of indigenous and compatible plant materials. Plantings in the natural groves or masses, with occasional singular plantings, reflect the natural landscape. The successful residential landscape gracefully transitions from the design elegance of the structures within the Building Envelope to the inherent rural qualities of the region. Native landscaped materials, plants, trees, grasses, features, etc. are to be preserved and protected. Natural prairie grasses, trees, and turf grasses, over the entire Lot, should be accented with well placed rocks, shrubs, and planting beds.

Shrubs, planted in masses, provide visual interest at any time in the year. Grass and turf areas can also provide a multitude of functions in the landscape. The contrast creates areas of a visual base plane from which all other elements of the landscape arise.

Approved non-vegetative ground cover in shrub areas includes tilled topsoil, decorative landscape bark, and decorative stones or rocks in natural colours.

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All landscape design plans must be submitted and approved pursuant to these Design Guidelines and the Building Scheme prior to excavation. The landscape plans should address the objectives of:

- Harmonizing the Improvements and setting with natural contours and surrounding vegetation
- Smoothing transition between sections of structures and between structures and surrounding land
- Reducing the visual impact of Improvements on view corridors
- Creating private space for the home, particularly around decks and porches
- Eliminating disruption caused by construction to return land to a more natural state
- Providing a transition from the finished landscape near Lots and Improvements to the natural grassland and/or wooded areas nearby

Walls and Fences

The design of fencing and walls must be carefully considered in the context of the rural setting and wildlife corridors. They are most aesthetically pleasing when used in conjunction with the plant materials and landscape techniques to reinforce the rural character and so as not to disrupt the wildlife corridor. Walls or fences may only be used for privacy to delineate yards from the Building Envelope.

Perimeter fencing is only permitted where installed by the Developer.

Patio/wall fences are permitted within the front, side and rear yards and must appear to be an extension of the home, located within the Building Envelope and conform to the colour standards.

Canine enclosures of approved designs with maximum size of 10 feet x 30 feet are permitted. They must be screened from view of streets and Lots and their locations approved hereunder.

Walls and/or shrub screens are required around trash areas and mechanical equipment. Community fencing may not be altered without approval hereunder.

Irrigation

All landscaped areas should utilize an individual irrigation system for watering during dry months. For grass fire protection, irrigation systems are required for all Lots.

Landscaping that requires irrigation shall use buried poly or PVC sprinkler system or a drip system. Sprinklers and nozzles shall be selected to provide water compatible with the landscaping, be water conserving in nature, and on an automatic control system. Irrigation overthrow onto roads, sidewalks, trails, or neighbouring Lots is not permitted.

Conservation of Existing Trees and Foliage

Lots and common property contain very valuable native plants and other natural landscaping materials that should be protected, including topsoil, rock outcroppings, boulders, and plant materials.

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Plans and specifications for Lots with existing trees must indicate which trees will be removed and which ones will be retained. If trees are removed from or damaged on a Lot or nearby property without approval, then the owner will be required to restore or replace such removed or damaged trees.

Trees and foliage that will remain and be saved should be marked and protected by flagging, fencing, or barriers. The Administrator shall have the right to flag major terrain features or plants, which are to be preserved and fenced off for protection.

Plans and specifications should address cut and fill requirements to net out without major import of fill or excess material generated. Imported material must be free of weeds, seeds, and other contaminants. If there is excess material, the Builder should consult with the Administrator to determine if the material can be used or stored elsewhere in the Community. If not possible, excess materials, including excavated materials, must be removed from the Community.

Finish Grading

Site grading should conform to the existing topography to preserve the natural character of the area and to maintain the delicate system of natural drainage patterns. Additional on site grading should maintain the natural existing form of the terrain and produce graceful contours as opposed to sharp angles. As previously stated, building plans submissions should include cut and fill operations, which should normally net out to minimize import and export material.

Water must be applied as necessary during site grading to provide optimum moisture content to the soil. Planting areas are not to be graded when their moisture content is so great that excessive compacting occurs, or so little that dust is formed and dirt clods do not break up.

Final grading of planting areas shall include light rolling, raking and hand work to achieve the desired contours, flow line patterns and evenly finished surfaces with proper drainage.

Surface Drainage

The use of underground storm drains should be minimized. Drainage of individual properties must work with the existing topography and be directed toward the natural open space or drainage swale systems developed in conjunction with the roads. Natural or existing drainage pathways are not to be obstructed. All Improvements must avoid or bridge such pathways without obstruction, and must be finished to prevent erosion. Boulder, stone facing, and landscaping are encouraged to screen drainage structures.

Community landscape areas and amenities must be protected during all construction operations. Adequate provisions must be made to prevent any surface waters from damaging public or private property during and after construction.

Erosion Control

Temporary and permanent erosion control measures are intended to prevent the erosion of soil. The placement of barriers such as erosion fabric fences, straw bales, or curb like diversions around the perimeter of construction areas are considered temporary measures.

EXHIBIT "G-2"

Run off from construction areas must be directed away from any sensitive natural areas. Permanent measures include using plant material and proper grading of the site. Natural drainage systems should be used wherever possible using pervious surfaces.

EXHIBIT "H-2"

TERMS OF INSTRUMENT - PART 2

OPTION TO PURCHASE

THIS OPTION TO PURCHASE dated the _____.

BETWEEN:

(the "Grantor")

AND:

River's Crossing Ltd. (Inc. No. 0979558)
201 – 1230 91 Street SW
Edmonton, Alberta T6X 0P2

(the "Grantee")

WITNESSES THAT WHEREAS:

- A. The Grantor is the registered owner of the bare land strata lot (the "**Strata Lot**") situated in Cranbrook, British Columbia and legally described in item 2 of the Form C General Instrument to which these Terms of Instrument are attached;
- B. The Grantor acquired the Strata Lot from the Grantee pursuant to the terms of a contract of purchase and sale (the "**Contract**") dated _____ made between the Grantor and the Grantee; and
- C. Pursuant to the Contract, the Grantor agreed to grant in favour of the Grantee this Option to Purchase on the terms and conditions herein contained to ensure that the Grantor constructs a single-family home and other improvements (collectively, the "**Improvements**") on the Strata Lot in a timely manner and in accordance with all applicable zoning bylaws and other building requirements and restrictions.

NOW THEREFORE, in consideration of the sum of TEN DOLLARS (\$10.00) of lawful money of Canada now paid by the Grantee to the Grantor and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Grantor), the Grantor hereby grants to the Grantee an irrevocable option to purchase the Strata Lot (the "**Option**") on the terms and conditions herein contained:

- 1. The Grantee may only exercise the Option if:
 - (a) on or before the third (3rd) anniversary of the date on which this Option to Purchase was submitted to the Land Title Office for registration:
 - (i) the Grantor has not obtained from the City of Cranbrook (the "**City**") an issued building permit that allows the Grantor to commence construction of the Improvements on the Strata Lot; and

EXHIBIT "H-2"

-2-

- (ii) the Grantor has not received written confirmation pursuant to the statutory building scheme registered against title to the Strata Lot under number _____ (the "SBS") that the Grantor has complied with the terms thereof by having all of the plans and specifications (the "Plans and Specifications") for the Improvements and the landscaping of the Strata Lot approved as contemplated in the SBS and by paying all required fees and deposits as stipulated in the SBS; or
- (b) on or before the fourth (4th) anniversary of the date on which this Option to Purchase was submitted to the Land Title Office for registration:
 - (i) the Grantor has not obtained from the City a final unconditional occupancy permit for the Improvements; and
 - (ii) the Grantor has not completed the landscaping of the Strata Lot in accordance with the Plans and Specifications approved pursuant to the SBS.

Notwithstanding the foregoing, if delay is occasioned by:

- (c) any strike, lock-out, state of war or other civil insurrection, fire or Act of God; or
- (d) if the Grantee is the approving authority pursuant to the SBS in respect of the Strata Lot, any delay solely attributable to the Grantee in issuing the written confirmation required pursuant to section 1(a)(ii),

then the times hereinbefore set forth in this section 1 shall be extended in each case for the period of such delay but the aggregate period of any and all such extensions shall not exceed one (1) year.

2. If the Option becomes exercisable, then the Grantee may only exercise the Option within ten (10) years after the Option first becomes exercisable by the Grantee (the "Option Period").
3. The Grantor acknowledges and agrees that it is satisfied with the feasibility of the Grantor fulfilling the obligations set out in section 1 hereof within the time periods set out therein in order to avoid the Option from becoming exercisable by the Grantee.
4. If either:
 - (a) the Option becomes exercisable pursuant to section 1 hereof but the Grantee does not exercise the Option within the Option Period; or
 - (b) the Option does not become exercisable pursuant to section 1 hereof,

then the Grantee will on request execute and deliver a registrable discharge of the Option. The Grantor will bear all costs in connection with the preparation and registration of a discharge of the Option.

EXHIBIT "H-2"

-3-

5. If the Grantee exercises the Option, then the purchase price shall be \$ **[85% of the Purchase Price stated in the Contract]**, which shall be subject to usual adjustments for taxes, water rates, sewage rates, electricity and all other items for similar properties. For greater certainty, no allowance or credit shall be given to the Grantor for or in respect of any carrying or transaction costs relating to the Strata Lot, consulting fees, fees for permits or any other costs or expenses whatsoever incurred by the Grantor in respect of the Strata Lot. If applicable, the Grantee will be responsible for either paying to the Grantor or self-assessing to Canada Revenue Agency any federal goods and services tax applicable to the Grantee's purchase of the Strata Lot pursuant to this Option.
6. If the Grantee exercises the Option in accordance with the terms hereof, then this Option shall become a binding contract for the sale and purchase of the Strata Lot, which shall be completed upon the terms herein contained on the 30th day after the date of the exercise of the Option, or if such 30th day is not a business day, then on the first business day following the 30th day (such day being hereinafter referred to as the "**Completion Date**"). The Grantee shall have possession of the Strata Lot on and all adjustments shall be made as of the Completion Date.
7. The Grantor shall convey the Strata Lot to the Grantee subject only to the encumbrances listed in Schedule A hereto (the "**Permitted Encumbrances**"). The Grantor shall execute and deliver, or cause to be executed and delivered to the Grantee, not less than three (3) days prior to the Completion Date:
 - (a) a registrable Form A freehold transfer for the Strata Lot;
 - (b) a vendor's statement of adjustments prepared in accordance herewith;
 - (c) a discharge of any and all encumbrances against the Strata Lot, other than the Permitted Encumbrances, in registrable form or, in the case of any such other encumbrances, an undertaking from the Grantor's solicitor to discharge such encumbrances from the sale proceeds; and
 - (d) all such other certificates, declarations, opinion letters and other documents as may be required by the Grantee to carry out and complete the terms, provisions and agreements herein contained.
8. The adjusted purchase price as determined pursuant to Section 5 shall only be due and payable upon the registrable documents described in Section 7 being submitted for registration on the Completion Date in the Land Title Office and recorded as pending instruments on the index to the title of the Strata Lot free of encumbrances other than the Permitted Encumbrances, subject to subsection 7(c). The Grantor irrevocably directs the Grantee to pay the adjusted purchase price to the solicitor for the Grantor pursuant to undertakings as may be required in the sole opinion of the Grantee's solicitor to discharge all encumbrances from the title of the Strata Lot except for the Permitted Encumbrances. Alternatively, the Grantee may pay any sum to any person in order to assure itself title to the Strata Lot free of all encumbrances except the

EXHIBIT "H-2"

-4-

Permitted Encumbrances and any such sums shall be deducted from the adjusted purchase price otherwise payable to the Grantor.

9. The Grantor hereby represents and warrants to the Grantee that, if the Grantee exercises the Option, the Grantor will, on the Completion Date, be a resident of Canada within the meaning of the *Income Tax Act* (Canada) and, if the Grantor is not so resident, then the Grantor irrevocably authorizes the Grantee's solicitor to remit directly to the Receiver General for Canada such non-resident withholding tax as permitted by the *Income Tax Act* (Canada).
10. The Strata Lot shall be at the Grantor's risk until the Completion Date and shall be at the Grantee's risk from and after the Completion Date.
11. Time is of the essence of this Option.
12. Any demand or notice given under this Option shall be in writing and either delivered by hand, or sent by prepaid mail to the Grantor or to the Grantee as the case may be, at the address of the Grantor and the Grantee as follows:

Grantor:

Grantee:

River's Crossing Ltd. (Inc. No. 0979558)
201 – 1230 91 Street SW
Edmonton, Alberta T6X 0P2

The time of giving such notice, document or communication shall be, if delivered, when delivered, and if mailed then on the fifth (5th) business day after the day of mailing. In the event of any disruption of mail services, all notices shall be delivered rather than mailed.

13. The Grantor shall, at its expense cause this Option to be registered in priority to all financial encumbrances charging the Strata Lot.
14. This Option runs with and binds the Strata Lot and every part thereof.
15. The laws of the Province of British Columbia and the laws of Canada applicable therein exclusively govern this Agreement and the parties will attorn to the exclusive jurisdiction of the court of the Province of British Columbia.
16. Reference in this Option to the singular, masculine or neuter shall be construed as meaning the plural, feminine or body politic or corporate and vice versa where the context so requires.

EXHIBIT "H-2"

-5-

17. This Option and everything herein contained shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The Grantee may assign this Option at any time and upon such assignment the Grantee shall be released from all obligations and liabilities hereunder.

IN WITNESS WHEREOF the parties hereto have caused these Terms of Instrument to be executed in Item 8 of Form C, Part 1 of these Terms of Instrument.

EXHIBIT "H-2"

-6-

SCHEDULE A
PERMITTED ENCUMBRANCES

[This Schedule will be completed prior to the date on which the Option to Purchase is submitted for registration to the Land Title Office and will include only those non-financial encumbrances registered on title to the Strata Lot as of the day of submission for registration.]

END OF DOCUMENT

Jul-13-2017 10:50:36.002
STRATA PROPERTY ACT FILING
PROVINCE OF BRITISH COLUMBIA

EXHIBIT I-2

DECLARATION(S) ATTACHED
CA6141634

PAGE 1 OF 10 PAGES

- Your electronic signature is a representation by you that:
 - you are a subscriber; and
 - you have incorporated your electronic signature into
 - this electronic application, and
 - the imaged copy of each supporting document attached to this electronic application.and have done so in accordance with Sections 168.3 and 168.41(4) of the *Land Title Act*, RSBC 1996, c. 250.
- Your electronic signature is a declaration by you under Section 168.41 of the *Land Title Act* in respect of each supporting document required in conjunction with this electronic application that:
 - the supporting document is identified in the imaged copy of it attached to this electronic application;
 - the original of the supporting document is in your possession; and
 - the material facts of the supporting document are set out in the imaged copy of it attached to this electronic application.Each term used in the representation and declaration set out above is to be given the meaning ascribed to it in Part 10.1 of the *Land Title Act*.

Sara Elizabeth
Pope EIPVC9

Digitally signed by Sara Elizabeth Pope
EIPVC9
DN: c=CA, cn=Sara Elizabeth Pope
EIPVC9, o=Lawyer, ou=Verify ID at
www.justice.gov.bc.ca/verifyid/EIPVC9
Date: 2017.07.15 10:40:41 -0700

1. CONTACT: (Name, address, phone number)
Sunny L. Wright - REED POPE LAW CORPORATION
202 - 1007 Fort Street

Telephone 250-383-3838
File No. 5448-019
Amended Form P

Victoria

BC V8V 3K5

Document Fees: \$28.63

Deduct LTSA Fees? Yes ☒

2. IDENTIFICATION OF ATTACHED STRATA PROPERTY ACT FORM OR OTHER SUPPORTING DOCUMENT:
Form-PA Amended Phased Strata Plan Declaration

LTO Document Reference:

3. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
[PID] [LEGAL DESCRIPTION]

028-118-464

LOT 2 AND AN UNDIVIDED 268/918 SHARE IN LOT 1 DISTRICT LOTS 5267,
9877 AND 11040 KOOTENAY DISTRICT PLAN EPP4579 (SEE PLAN AS TO
LIMITED ACCESS) EXCEPT STRATA PLAN EPS136 (PHASE 1 AND 2)

EXHIBIT I-2***Strata Property Act*****AMENDED FORM P****PHASED STRATA PLAN DECLARATION*****(Sections 221, 222)***

We, River's Crossing Ltd. (Inc. No.: BC0979558), 201 – 1230 91 Street SW, Edmonton, Alberta, T6X 0P2, declare

- 1 That we intend to create a strata plan by way of phased development of the following land which is owned by River's Crossing Ltd. (Inc. No.: BC0979558):

PID: 028-118-464 Lot 2 and an undivided 268/918 share in Lot 1 District Lots 5267, 9877 and 11040 Kootenay District Plan EPP4579 (see plan as to limited access) except Strata Plan EPS136 (Phase 1 and 2)

- 2 That the plan of development is as follows:

- (a) The development will consist of seventeen (17) phases – each phase containing no common property facilities;
- (b) Attached hereto as Schedule "A" is a sketch plan showing:
- (i) all the land to be included in the phased strata plan,
 - (ii) the present parcel boundaries,
 - (iii) the approximate boundaries of each phase, and
 - (iv) the approximate location of the common facilities;
- (c) the estimated date for the beginning of construction and completion of construction of each phase;

PHASE	COMMENCEMENT	COMPLETION
ONE	Completed	Completed
TWO	Completed	Completed
THREE	September 1, 2015	July 31, 2017
FOUR	April 1, 2018	September 1, 2019
FIVE	April 1, 2019	September 1, 2020
SIX	April 1, 2020	September 1, 2021
SEVEN	April 1, 2021	September 1, 2022
EIGHT	April 1, 2022	September 1, 2023
NINE	April 1, 2023	September 1, 2024
TEN	September 1, 2024	September 1, 2025

EXHIBIT I-2

ELEVEN	September 1, 2025	September 1, 2026
TWELVE	September 1, 2026	September 1, 2027
THIRTEEN	September 1, 2027	September 1, 2028
FOURTEEN	September 1, 2028	September 1, 2029
FIFTEEN	September 1, 2029	September 1, 2030
SIXTEEN	September 1, 2030	September 1, 2031
SEVENTEEN	September 1, 2031	September 1, 2032

- (d) a statement of the unit entitlement of each phase and the total unit entitlement of the completed development;

PHASE	UNIT ENTITLEMENT
ONE	53
TWO	74
THREE	13
FOUR	20
FIVE	12
SIX	19
SEVEN	10
EIGHT	20
NINE	14
TEN	20
ELEVEN	12
TWELVE	15
THIRTEEN	13
FOURTEEN	27
FIFTEEN	9
SIXTEEN	31
SEVENTEEN	33
TOTAL UNIT ENTITLEMENT	395

- (e) a statement of the maximum number of units and general type of residence or other structure to be built in each phase.


PHASE	NO. OF STRATA LOTS	DESCRIPTION OF STRUCTURE
ONE	53	Bare Land Strata Lot
TWO	74	Bare Land Strata Lot
THREE	13	Bare Land Strata Lot
FOUR	20	Bare Land Strata Lot
FIVE	12	Bare Land Strata Lot
SIX	19	Bare Land Strata Lot
SEVEN	10	Bare Land Strata Lot

EXHIBIT I-2

EIGHT	20	Bare Land Strata Lot
NINE	14	Bare Land Strata Lot
TEN	20	Bare Land Strata Lot
ELEVEN	12	Bare Land Strata Lot
TWELVE	15	Bare Land Strata Lot
THIRTEEN	13	Bare Land Strata Lot
FOURTEEN	27	Bare Land Strata Lot
FIFTEEN	9	Bare Land Strata Lot
SIXTEEN	31	Bare Land Strata Lot
SEVENTEEN	33	Bare Land Strata Lot

3 We will elect to proceed with each phase on or by the following dates:

PHASE	DATE (Month, Day, Year)
ONE	Completed
TWO	Completed
THREE	Deemed Elected to Proceed
FOUR	Deemed Elected to Proceed
FIVE	Deemed Elected to Proceed
SIX	Deemed Elected to Proceed
SEVEN	Deemed Elected to Proceed
EIGHT	Deemed Elected to Proceed
NINE	Deemed Elected to Proceed
TEN	Deemed Elected to Proceed
ELEVEN	Deemed Elected to Proceed
TWELVE	Deemed Elected to Proceed
THIRTEEN	Deemed Elected to Proceed
FOURTEEN	Deemed Elected to Proceed
FIFTEEN	Deemed Elected to Proceed
SIXTEEN	Deemed Elected to Proceed
SEVENTEEN	Deemed Elected to Proceed


Signature of Applicant

Date of approval: _____, 2017.

Signature of Approving Officer
City of Cranbrook

EXHIBIT I-2

EIGHT	20	Bare Land Strata Lot
NINE	14	Bare Land Strata Lot
TEN	20	Bare Land Strata Lot
ELEVEN	12	Bare Land Strata Lot
TWELVE	15	Bare Land Strata Lot
THIRTEEN	13	Bare Land Strata Lot
FOURTEEN	27	Bare Land Strata Lot
FIFTEEN	9	Bare Land Strata Lot
SIXTEEN	31	Bare Land Strata Lot
SEVENTEEN	33	Bare Land Strata Lot

3 We will elect to proceed with each phase on or by the following dates:

PHASE	DATE [Month, Day, Year]
ONE	Completed
TWO	Completed
THREE	Deemed Elected to Proceed
FOUR	Deemed Elected to Proceed
FIVE	Deemed Elected to Proceed
SIX	Deemed Elected to Proceed
SEVEN	Deemed Elected to Proceed
EIGHT	Deemed Elected to Proceed
NINE	Deemed Elected to Proceed
TEN	Deemed Elected to Proceed
ELEVEN	Deemed Elected to Proceed
TWELVE	Deemed Elected to Proceed
THIRTEEN	Deemed Elected to Proceed
FOURTEEN	Deemed Elected to Proceed
FIFTEEN	Deemed Elected to Proceed
SIXTEEN	Deemed Elected to Proceed
SEVENTEEN	Deemed Elected to Proceed

Signature of Applicant

Date of approval: July 7, 2017.


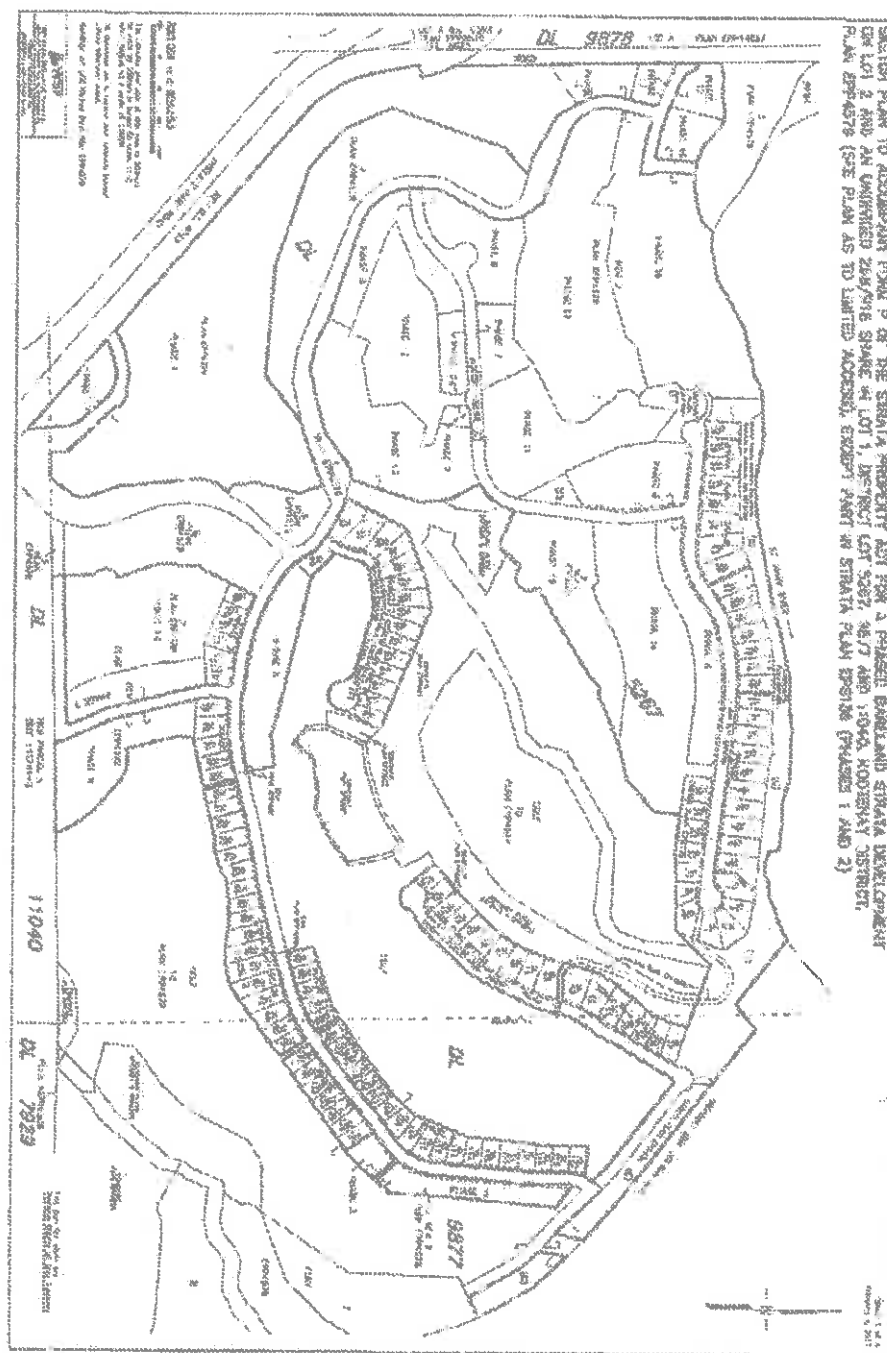

Signature of Approving Officer
City of Cranbrook

EXHIBIT I-2

SCHEDULE "A"
SKETCH PLAN



584254-8

EXHIBIT I-2

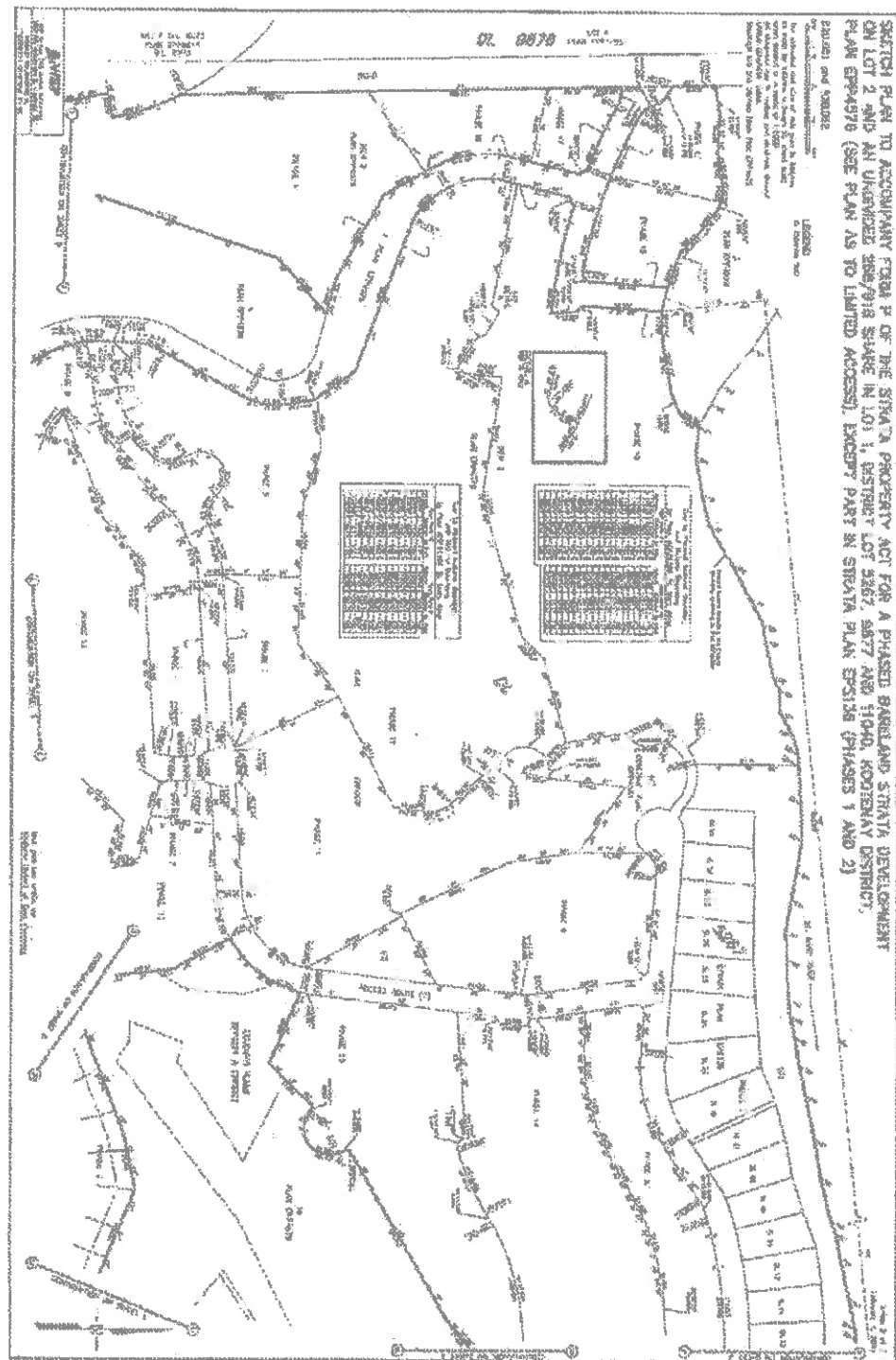
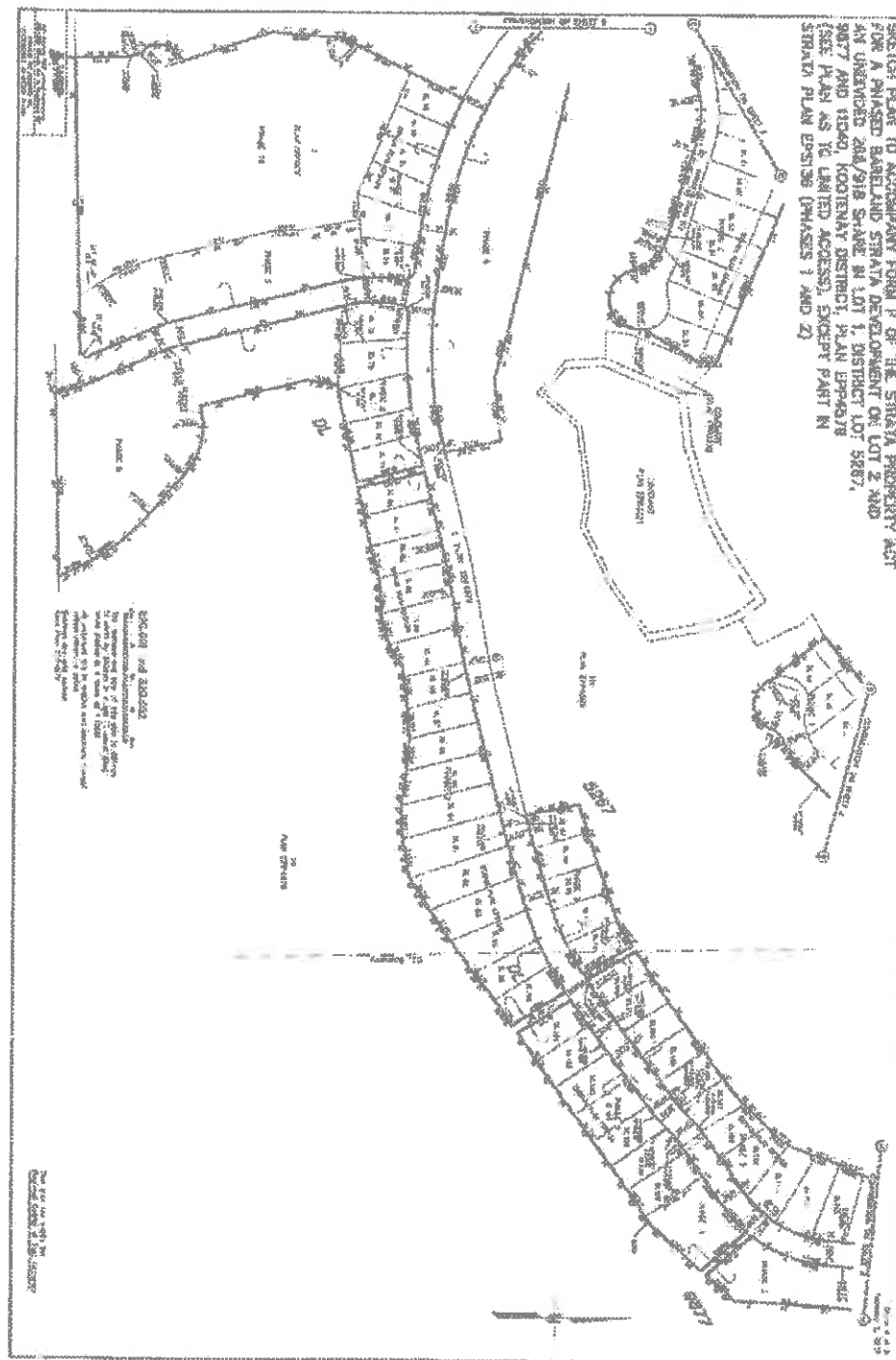


EXHIBIT I-2



564254-8

EXHIBIT I-2

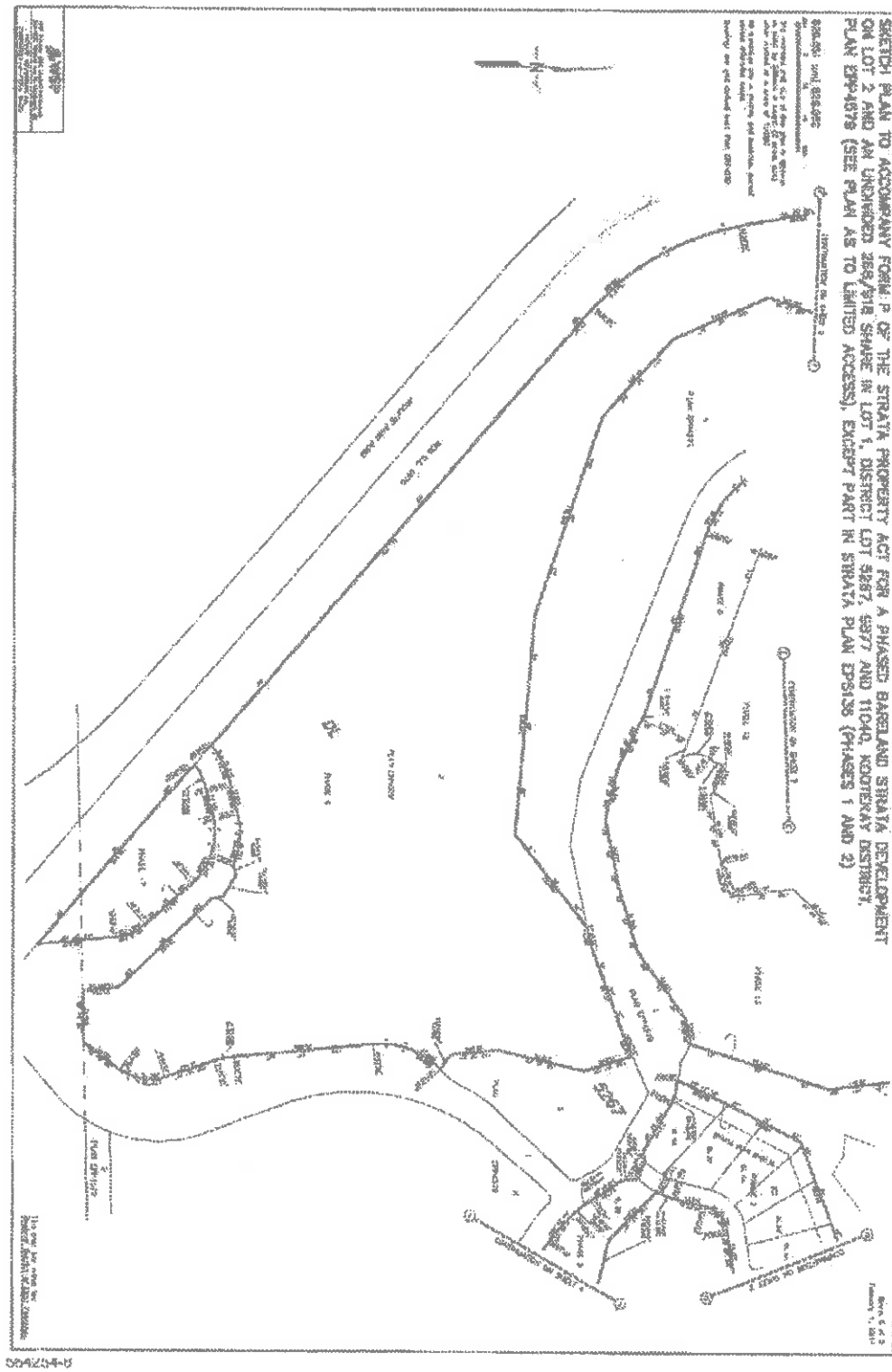


EXHIBIT I-2**LAND TITLE ACT
FORM DECLARATION**Related Document Number: **CA6141634**

PAGE 1 OF 6 PAGES

Your electronic signature is a representation that: you are a subscriber as defined by the Land Title Act, RSBC 1996, C.250, the original or where designated by the Director, a true copy of the supporting document is in your possession and that the summary of the material facts set out in this declaration accurately reflects the material facts set out in each supporting document and if a supporting document is evidenced by an imaged copy the material facts of the supporting document are set out in the imaged copy of it attached. Each term used in the representation and declaration set out above is to be given the meaning ascribed to it in Part 10.1 of the Land Title Act.

**Sara
Elizabeth
Pope EIPVC9**

Digitally signed by Sara Elizabeth Pope EIPVC9
DN: c=CA, ou=Sara Elizabeth Pope EIPVC9, o=Lawyer, ou=Verify ID at www.jurican.com/kUP.com?
id=EIPVC9
Date: 2017.07.28 18:35:20 -0700

I, SARA E. POPE, Barrister and Solicitor, of #202 - 1007 Fort Street Street, Victoria, BC, have personal knowledge of the facts hereinafter stated, which facts I believe to be true.

On July 13, 2017 I caused to be filed an Amended Phased Strata Plan Declaration under CA6141634.

ERROR: The sketch plan attached is not legible.

CORRECTION: Please replace pages 6 through 10 with the attached 5 pages.

I make this declaration conscientiously believing it to be true and knowing that it is the same force and effect as if made under oath.

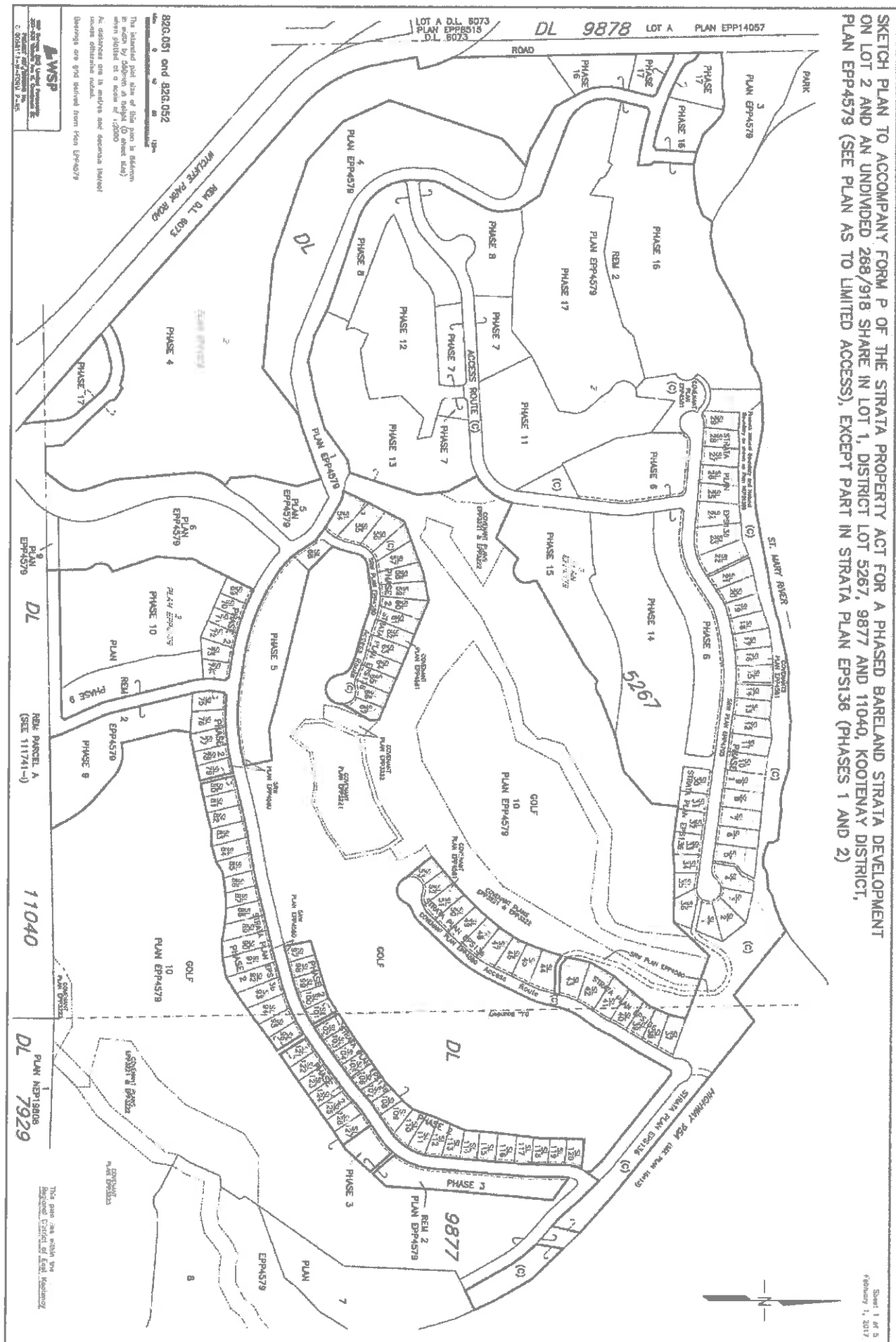
SARA E. POPE

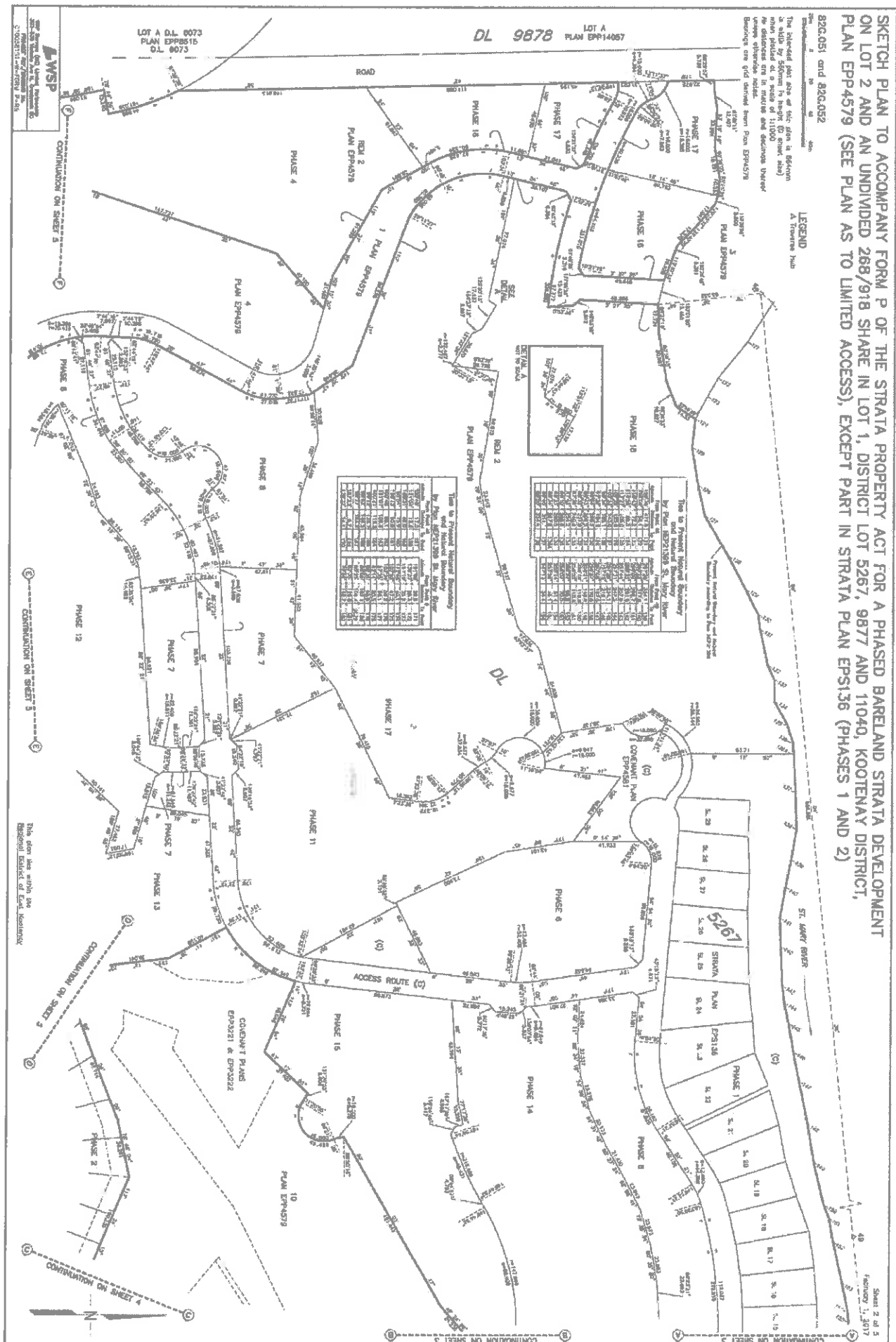
NOTE:

A Declaration cannot be used to submit a request to the Registrar for the withdrawal of a document.

Fee Collected for Document: \$0.00

SKETCH PLAN TO ACCOMPANY FORM P OF THE STRATA PROPERTY ACT FOR A PHASED BARELAND STRATA DEVELOPMENT ON LOT 2 AND AN UNDIVIDED 268/918 SHARE IN LOT 1, DISTRICT LOT 5267, 9877 AND 11040, KOOTENAY DISTRICT, PLAN EPP4579 (SEE PLAN AS TO LIMITED ACCESS), EXCEPT PART IN STRATA PLAN EPS136 (PHASES 1 AND 2)





SKETCH PLAN TO ACCOMPANY FORM P OF THE STRATA PROPERTY ACT FOR A PHASED BARELAND STRATA DEVELOPMENT ON LOT 2 AND AN UNDIVIDED 268,918 SHARE IN LOT 1, DISTRICT LOT 5267, 9877 AND 11040, KOOTENAY DISTRICT, PLAN EPP4579 (SEE PLAN AS TO LIMITED ACCESS), EXCEPT PART IN STRATA PLAN EPS136 (PHASES 1 AND 2)

September 3, 1915

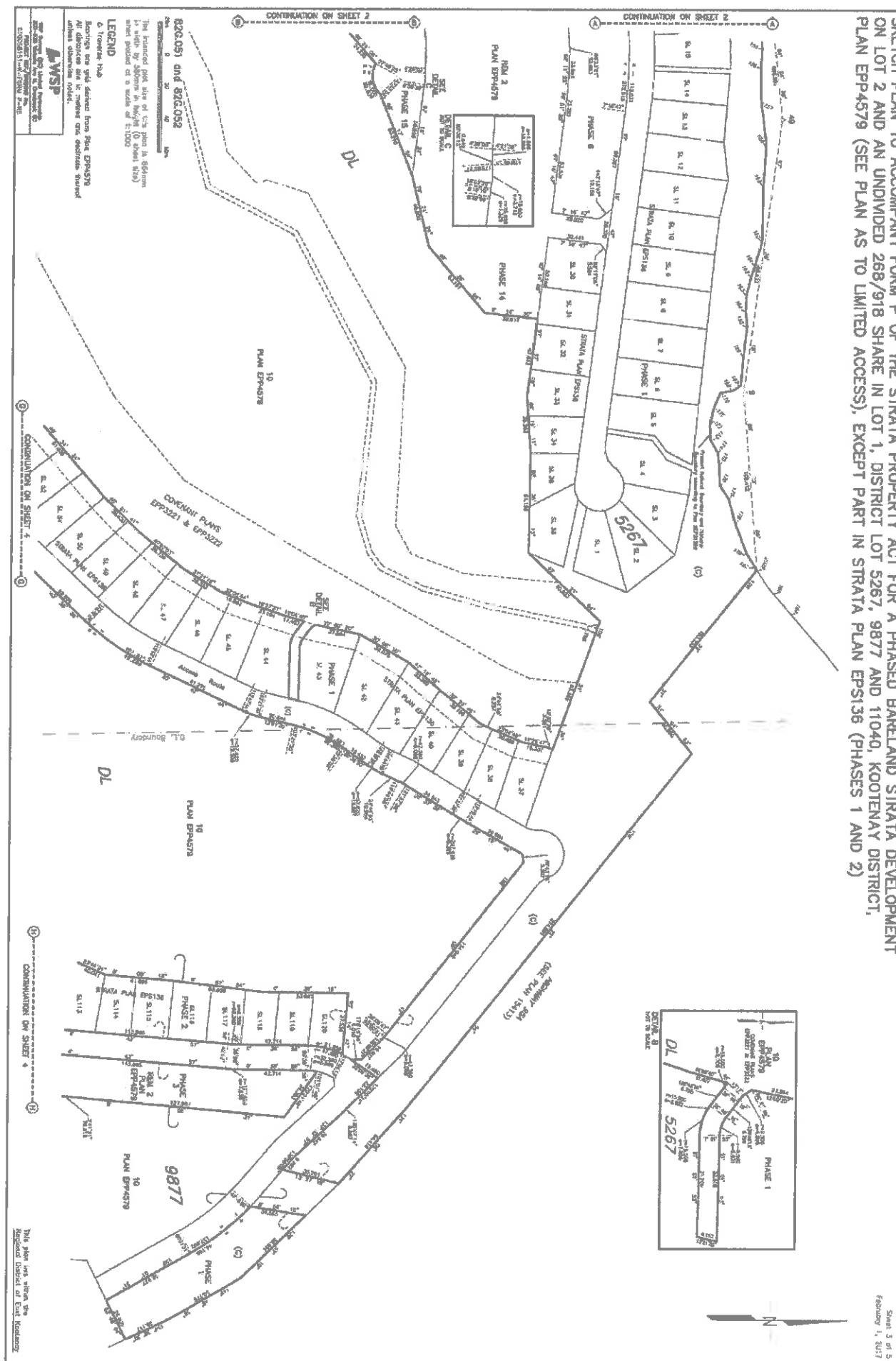
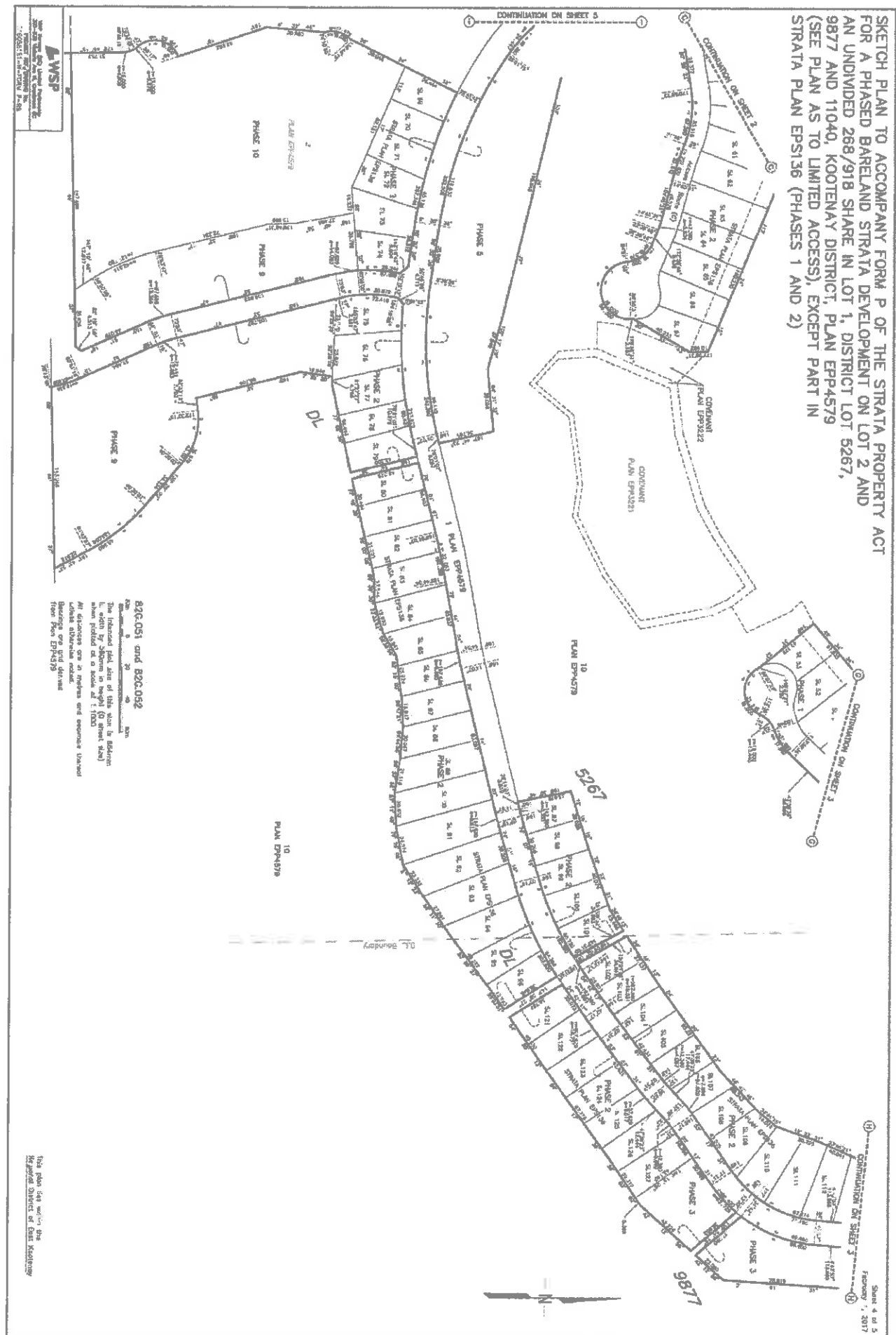


EXHIBIT I-2

SKETCH PLAN TO ACCOMPANY FORM P OF THE STRATA PROPERTY ACT FOR A PHASED BARELAND STRATA DEVELOPMENT ON LOT 2 AND AN UNDIVIDED 268/918 SHARE IN LOT 1, DISTRICT LOT 5267, 9877 AND 11040, KOOTENAY DISTRICT, PLAN EP4579 (SEE PLAN AS TO LIMITED ACCESS), EXCEPT PART IN STRATA PLAN EPS136 (PHASES 1 AND 2)



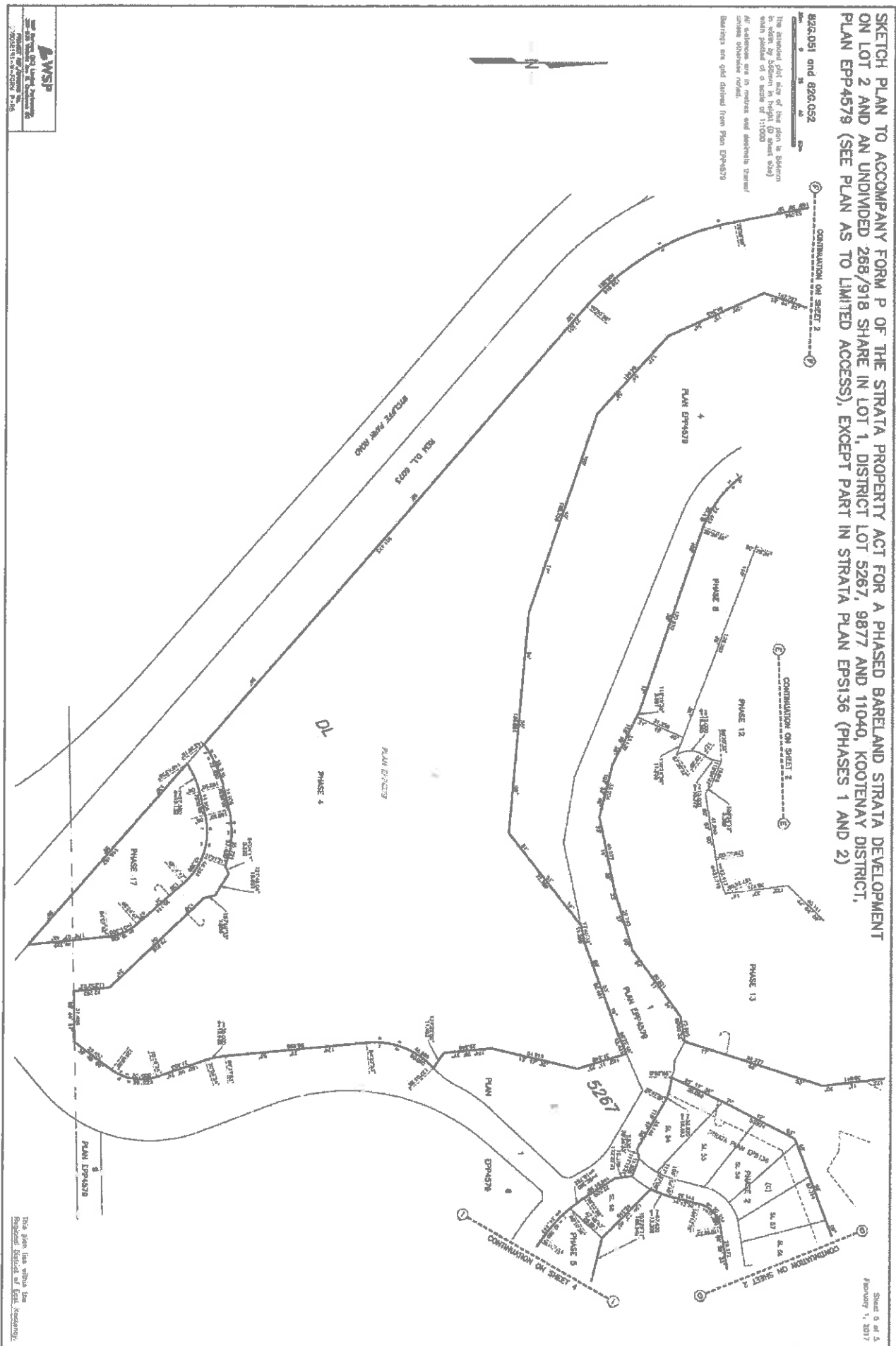


EXHIBIT M-2

Strata Plan ESP 136

Shadow Mountain

November 1, 2017 to October 31, 2018 Approved Operating Budget

strata fees to
\$60.00

	Actuals Nov.1/16 to Oct. 31/17	Approved Budget Nov. 1, 2016 to Oct. 31, 2017	Surplus/ Deficit	Approved budget Nov. 1, 2017 to Oct. 31, 2018
Income				
Strata Fee Collected	\$121,920.00	\$122,880.00		\$92,160.00
Bylaw fines	\$200.00			
Interest earned	\$310.16			
Transfer from surplus				
Total Income	\$122,430.16	\$122,880.00		\$92,160.00
Expenses				
AGM	\$0.00	\$0.00		\$0.00
Accounting	\$1,312.50	\$1,400.00		\$1,400.00
Legal	\$0.00	\$1,000.00	\$1,000.00	HOA
Bank Charges	\$295.78	\$85.00	(\$210.78)	\$85.00
Postage + teleconference + photocopy	\$164.20	\$100.00	(\$64.20)	\$100.00
Strata Management Fee	\$19,286.40	\$19,500.00	\$213.60	HOA
Street sweeping	\$0.00	\$650.00	\$650.00	HOA
Repairs and Maintenance (asphalt repair)	\$0.00	\$2,854.00	\$2,854.00	HOA
Hydrant Flush	\$0.00	\$150.00	\$150.00	HOA
Pressure Reducing Station Maintenance	\$0.00	\$600.00	\$600.00	HOA
Storm Drain cleaning	\$0.00		\$0.00	HOA
Gravel Road Maintenance	\$0.00		\$0.00	HOA
Sewage	\$49,927.50	\$55,000.00	\$5,072.50	HOA
Insurance	\$1,486.02	\$1,300.00	(\$186.02)	HOA
Insurance appraisal	\$0.00	\$700.00	\$700.00	HOA
Snow removal	\$14,568.75	\$8,500.00	(\$6,068.75)	HOA
Hydro for pump station	\$222.52	\$700.00	\$477.48	HOA
Hydro for sewage aeration		\$4,000.00		HOA
Waste Removal				HOA
Contingency Reserve Fund contribution	\$9,618.50	\$9,618.50	\$0.00	\$16,830.00
Total Expenses		\$106,157.50		
repayment to CRF 2016 expenses		\$16,722.50		\$0.00
Reserve Fund Study				\$3,100.00
removal of funds from CRF				
Contribution to Home Owners Association				\$70,645.03
Total Operating Costs	\$96,882.17	\$122,880.00		\$92,160.03
Balance in Account October 31, 2017	\$6,637.95			
Less prepaid strata fees @ October 31, 2017	-\$1,681.77			
Balance of funds available to the strata corporation	\$4,956.18			

S Statement of Changes in the Net Assets: Contingency Reserve Fund

C Opening Contingency Reserve Balance	\$73,143.83
add CRF contribution	\$9,618.50
loan payback	\$16,722.50
add interest/bank charges	\$76.61
Less expenditures- bank charges	
E Ending Contingency Reserve Balance	\$99,561.44

Schedule of Maintenance Fees - Yearly/Monthly Contributions

Each Strata Lot pays as follows:

\$60.00 per month - consisting of \$48.96 operating costs and \$11.04 contingency reserve

\$720.00 per year - consisting of \$587.52 operating costs and \$132.48 contingency reserve

EXHIBIT "N-2"

RIVER'S CROSSING – WEST LOT TITLE SUMMARY
LEGAL NOTATIONS and CHARGES, LIENS AND INTERESTS

DESCRIPTIONS OF LEGAL NOTATIONS AND CHARGES, LIENS AND INTERESTS

The West Parent Parcels were subject to a complex subdivision process (see sections 2.1 and 4.1 of the Disclosure Statement, as amended). Consequently, the title to any individual Strata Lot may be lengthy and contain a number of the many legal notations, charges and encumbrances listed in this Exhibit. The descriptions of the legal notations, charges and encumbrances below are summaries only. Purchasers are recommended to obtain a title search of the Strata Lot they wish to purchase and to review title and satisfy themselves as to the charges registered against such Strata Lot.

LEGAL NOTATIONS**XB8774 – Zoning Regulation and Plan under the *Aeronautics Act***

Zoning regulation and plan under the *Aeronautics Act* (Canada) filed March 29, 1988 under XB8774, which confirms the lands are subject to the provisions of this legislation because of the proximity of the Canadian Rockies International Airport.

CA1393219 – Form P Phased Strata Plan Declaration

Registered December 15, 2009.

CA6141634 – Amended Form P Phased Strata Plan Declaration

Registered July 13, 2017.

CA1393449 – Easement

Registered December 15, 2009, this is an easement over Strata Lots 77 and 78 in favour of the Remainder Lands and a share of the common road for the purpose of allowing the Developer to maintain a supply of gravel upon the grantor's lands on a temporary basis, and to gain access of the grantor's lands to and from the Developer's lands to access the gravel for its removal and relocation.

CA1466050 – Permit

Registered February 24, 2010, title may be affected by a permit under Part 26 of the *Local Government Act*, which confirms that development permits with certain use restrictions were issued by the City of Cranbrook (the "City") in respect of the development. The use restrictions contained in the development permit are reflected in the descriptions of the section 219 covenants granted in favour of the City as set out below in this exhibit.

LB306050 – Permit

Registered May 7, 2009, title may be affected by a permit under Part 26 of the *Local Government Act*, which confirms that development permits with certain use restrictions were issued by the City in respect of the development. The use restrictions contained in the development permit are reflected in the descriptions of the section 219 covenants granted in favour of the City as set out below in this exhibit.

EXHIBIT "N-2"**LB306051 – Permit**

Registered May 7, 2009, title may be affected by a permit under Part 26 of the *Local Government Act*, which confirms that development permits with certain use restrictions were issued by the City in respect of the development. The use restrictions contained in the development permit are reflected in the descriptions of the section 219 covenants granted in favour of the City as set out below in this exhibit.

LB306052 – Permit

Registered May 7, 2009, title may be affected by a permit under Part 26 of the *Local Government Act*, which confirms that development permits with certain use restrictions were issued by the City in respect of the development. The use restrictions contained in the development permit are reflected in the descriptions of the section 219 covenants granted in favour of the City as set out below in this exhibit.

LB306053 – Permit

Registered May 7, 2009, title may be affected by a permit under Part 26 of the *Local Government Act*, which confirms that development permits with certain use restrictions were issued by the City in respect of the development. The use restrictions contained in the development permit are reflected in the descriptions of the section 219 covenants granted in favour of the City as set out below in this exhibit.

LB306054 – Permit

Registered May 7, 2009, title may be affected by a permit under Part 26 of the *Local Government Act*, which confirms that development permits with certain use restrictions were issued by the City in respect of the development. The use restrictions contained in the development permit are reflected in the descriptions of the section 219 covenants granted in favour of the City as set out below in this exhibit.

LB306055 – Permit

Registered May 7, 2009, title may be affected by a permit under Part 26 of the *Local Government Act*, which confirms that development permits with certain use restrictions were issued by the City in respect of the development. The use restrictions contained in the development permit are reflected in the descriptions of the section 219 covenants granted in favour of the City as set out below in this exhibit.

LB329026 – Permit

Registered August 5, 2009, this title may be affected by a permit under Part 26 of the *Local Government Act*, See LB329026, which confirms that a development permit with certain use restrictions was issued by the City in respect of the development of Lot 2. The use restrictions contained in the development permit, are reflected in the descriptions of the section 219 covenants granted in favour of the City.

LB357283 – Permit

Registered December 10, 2009, title may be affected by a permit under Part 26 of the *Local Government Act*. In this case, the City has registered Notice of an Agreement made with the previous developer, for that developer to make a cash payment in lieu of dedicating lands as park, as permitted by s. 941 of the *Local Government Act*. A copy of these Agreements are attached to the Permit.

EXHIBIT "N-2"**LB474039, LB474051 through LB474077 – Permit**

Registered July 14, 2011, title may be affected by a permit under Part 26 of the *Local Government Act*, which confirm development permits for Strata Lots 4 – 29, with certain use restrictions were issued by the City in respect of the development. The use restrictions contained in the development permit are reflected in the descriptions of the section 219 covenants granted in favour of the City as set out below in this exhibit.

CHARGES, LIENS AND INTERESTS**LB309495 – Statutory Right of Way**

Statutory Right of Way LB309495 was registered May 19, 2009 in favour of British Columbia Hydro and Power Authority ("BC Hydro"). This statutory right of way ("SRW") allows BC Hydro to access and carry out its installation, maintenance and repair obligations on those portions of its utilities infrastructure located on "Lot 2" (as defined in the Second Amendment at section 4.1).

LB309496 – Statutory Right of Way

Statutory Right of Way LB309496 was registered May 19, 2009 in favour of Telus Communications Inc ("Telus"). This Statutory Right of Way allows Telus to access and carry out its installation, maintenance and repair obligations on those portions of its telecommunications equipment and infrastructure located on Lot 2.

CA1321167 – Covenant

Covenant CA1321167 was registered October 23, 2009 in favour of the Province. This covenant prohibits the Owner from establishing any point of direct ingress to or egress from Highway 95A to Lot 2, except in the case of an emergency or as expressly permitted in writing by the Province. Either this Covenant or Covenant CA1321168 is registered against all Strata Lots.

CA1321168 – Covenant

Covenant CA1321168 was registered October 23, 2009 in favour of the Province. This covenant prohibits the Owner from establishing any point of direct ingress to or egress from Highway 95A to Lot 2, except in the case of an emergency or as expressly permitted in writing by the Province. Either this Covenant or Covenant CA1321167 is registered against all Strata Lots.

CA1321179 – Covenant

Covenant CA1321179 was registered October 23, 2009 in favour of the City. This covenant restricts certain uses and improvements on Lot 2 due to steep slopes on certain portions of Lot 2. This covenant is on title to Strata Lots 4-12, 23, 24, 44, 62 and 63, 69 and 70 and the Common Property. The Developer expects the City to authorize the release of this covenant from strata lots in subsequent phases of the Development as the Strata Plan for each subsequent phase is filed from time to time, where such strata lots do not contain lands with a slope of at least 20%.

CA1384501 – Statutory Right of Way

Statutory Right of Way CA1384501 was registered December 9, 2009 in favour of the Shadow Mountain Home Owners Association ("SMHOA"). This Statutory Right of Way allows for general access by the SMHOA over and to Lot 2 and adjoining lands, and allows the SMHOA to carry out its obligations in connection with the Shared Areas and Facilities located on Lot 2. A copy of this Statutory Right of Way is attached to the Disclosure Statement as Exhibit "P".

EXHIBIT "N-2"**CA1384504 – Statutory Right of Way**

Statutory Right of Way CA1384504 was registered December 9, 2009 in favour of the SMHOA over parts of the "West Parent Parcels" (as defined in the Second Amendment at section 4.1) shown on plans EPP4580 and EPP4705. This Statutory Right of Way grants to the SMHOA access over the defined statutory right of way area (being portions of the Common Lot Road and Common Property road) for the purposes of the construction, installation, improvement, removal, alteration, repair maintenance, operation and replacement of the Shared Areas and Facilities.

CA1384505 – Covenant

Covenant CA1384505 was registered December 9, 2009 in favour of the SMHOA. This covenant, granted pursuant to section 219 of the *Land Title Act*, requires the owners of Strata Lots to comply with certain improvement and building restrictions, to install a water meter for each residential dwelling and to comply by the SMHOA Bylaws in connection with any improvements carried out on Strata Lots. A copy of this Covenant is attached to this Disclosure Statement as Exhibit "Q".

CA1384506 – Rent Charge

Rent Charge CA1384506 was registered December 9, 2009 in favour of the Shadow Mountain Home Owners Association. A copy of this rent charge is attached to this Disclosure Statement as Exhibit "K".

CA1393102 – Statutory Right of Way

Statutory Right of Way CA1393102 was registered December 15, 2009 in favour of the Province over parts of the Parent Lands shown on plans EPP4581 and EPP4705. This Statutory Right of Way grants the Province access over the defined statutory right of way area (being portions of the Common Lot Road and Common Property road) for the purposes of access between Wycliffe Park Road and the McPhee Bridge under-structure to carry out maintenance and repair work on the McPhee Bridge, including without limitation rehabilitation and widening work on the Bridge.

CA1393103 – Statutory Right of Way

Statutory Right of Way CA1393103 was registered December 15, 2009 in favour of the City over parts of the West Parent Parcels shown on Plan EPP4580. This Statutory Right of Way grants the City access over the defined statutory right of way area (being portions of the Common Lot Road) for the purposes of access over and across the defined statutory right of way area in order to access certain unregistered Crown Lands adjacent to Lot 2.

CA1393111 – Statutory Right of Way

Statutory Rights of Way CA1393111 was registered December 15, 2009 in favour of Terasen Gas Inc. ("Terasen"). This Statutory Right of Way grants to Terasen access over parts of the West Parent Parcels shown on Plan EPP4705 for installation, repair and maintenance of underground pipelines for the distribution of natural gas to Lot 2.

CA1393112 – Statutory Right of Way

Statutory Right of Way CA1393112 was registered December 15, 2009 in favour of Terasen. This Statutory Right of Way grants to Terasen access over parts of the West Parent Parcels shown on Plan EPP4580 for installation, repair and maintenance of underground pipelines for the distribution of natural gas to Lot 2.

EXHIBIT "N-2"**CA1393125 – Easement**

Easement CA1393125 was registered December 15, 2009 in favour of Lot A Plan EPP3167 and Lot A Plan EPP3166 ("Registered Owner"). This easement allows the Registered Owner to cross over and onto Lot 2 for the purpose of installing, maintaining and repairing certain underground utilities in connection with the Shadow Mountain Golf Course, and for securing vehicular (including golf cart and golf maintenance vehicle) access to and from the Registered Owner's lands.

CA1393137 – Covenant

Covenant CA1393137 was registered December 15, 2009 in favour of the Province. This covenant, granted pursuant to section 219 of the *Land Title Act*, restricts development and the construction of any improvements on certain portions of the West Parent Parcels other than Lot 2, and restricts the further subdivision of Lot 2 beyond the creation of the 280 bare land strata lots, until certain highway improvements and road connectors are constructed to the satisfaction of the Province.

CA1393180 – Covenant

Covenant CA1393180 was registered December 15, 2009 in favour of the SMHOA. This covenant, granted pursuant to section 219 of the *Land Title Act*, secures the Owner's obligations to preserve certain protected ecological features on Lot 2, and establishes penalties for breaching those obligations.

CA1393276 – Statutory Building Scheme

Statutory Building Scheme CA1393276 was registered December 15, 2009 (as to Strata Lots 1-53). A copy of the statutory building scheme is attached to this Disclosure Statement as Exhibit "F" and more particularly described in section 2.3 of the Disclosure Statement.

CA1393430 – Statutory Building Scheme

Statutory Building Scheme CA1393430 was registered December 15, 2009 (as to Strata Lots 54-127). A copy of the statutory building scheme is attached to this Disclosure Statement as Exhibit "F" and more particularly described in section 2.3 of the Disclosure Statement.

CA1393184 – Covenant

Covenant CA1393184 was registered December 15, 2009 in favour of the City. This covenant, granted pursuant to section 219 of the *Land Title Act*, restricts use of and development on certain environmentally sensitive covenant areas within Lot 2 shown as Covenant Area "A" on Plan EPP4581 in order to protect, preserve, and conserve the natural state of Lot 2 in riparian areas and the amenities thereon for ecological and environmental reasons. This charge affects Strata Lots 4 - 29.

CA1393191 – Covenant

Covenant CA1393191 was registered December 15, 2009 in favour of the City. This covenant, granted pursuant to section 219 of the *Land Title Act*, restricts use of and development on certain environmentally sensitive covenant areas within Lot 2 shown as Covenant Areas A, B and C on Plan EPP4581 to preserve the public interest in the protection, preservation and conservation of the natural state of such lands and the amenities thereon for ecological and environmental reasons. This charge affects Strata Lots 3-29 and 37-67.

EXHIBIT "N-2"**CA1393198 – Covenant**

Covenant CA1393198 was registered December 15, 2009 in favour of the City. This covenant, granted pursuant to section 219 of the *Land Title Act*, restricts use of and development on certain environmentally sensitive areas within Lot 2 shown as Covenant Areas A, B and C on Plan EPP4581 in order to preserve the public interest in the protection, preservation and conservation of the natural state of such lands and the amenities thereon for ecological and environmental reasons. This charge affects Strata Lots 3 - 29.

CA1393205 – Covenant

Covenant CA1393205 registered December 15, 2009 in favour of the City. This covenant granted pursuant to section 219 of the *Land Title Act*, restricts or prohibits development on certain covenant areas within Lot 2 shown as Covenant Areas A, C and D on Plan EPP4581, as these areas are considered to be hazardous or undevelopable areas and are adjacent to or on slopes that have the potential to be unstable. This charge affects Strata Lots 3 – 29, and 37 – 67.

CA1393212 – Covenant

Covenant CA1393212 was registered December 15, 2009 in favour of the City. This covenant, granted pursuant to section 219 of the *Land Title Act*, restricts or prohibits development on substantially the same terms as described above. This charge affects Strata Lots 3 – 29.

CA1393278 – Statutory Right of Way

Statutory Right of Way CA1393278 was registered December 15, 2009 in favour of the Province. This Statutory Right of Way allows the Province (Ministry of Transportation and Infrastructure) to enter upon and cross over certain portions of the Common Property of the Strata Corporation (Phase 1) for access to and from the Bridge for the same purposes described above. This charge is registered only against the Common Property.

CA1393286 – Covenant

Covenant CA1393286 was registered December 15, 2009 (as to Strata Lots 1, 3 through 29, 36 through 53, inclusive, and the Phase 1 Common Property) in favour of the City. This covenant, granted pursuant to section 219 of the *Land Title Act*, imposes building requirements on improvements constructed on the charged Strata Lots as a result of such Strata Lots having a moderate to high fire hazard rating. Each owner of a Strata Lot charged by these encumbrances will also have to undertake certain fire treatment plan works prior to commencing construction of a residence on a Strata Lot.

CA1393298 – Statutory Right of Way

Statutory Right of Way CA1393298 was registered December 15, 2009 in favour of the SMHOA over parts of Lot 2 shown on Plan EPP5127. This Statutory Right of Way is granted to the SMHOA to provide for access over a portion of the common property of the Strata Corporation for, *inter alia*, the installation, maintenance and repair of storm water dry wells and other common utilities works. This Statutory Right of Way is registered only against the Common Property.

EXHIBIT "N-2"**CA1393300 – Statutory Right of Way**

Statutory Right of Way CA1393300 was registered December 15, 2009 in favour of the SMHOA over parts of Lot 2 shown on Plan EPP5118. This Statutory Right of Way is granted to the SMHOA for the purposes of the construction, installation, improvement, removal, alteration, repair, maintenance, operation and replacement of Shared Areas and Facilities comprising sanitary sewer mains, storm swales and related works. This Statutory Right of Way is registered only against Strata Lots 1 and 2.

CA1393302 – Statutory Right of Way

Statutory Right of Way CA1393302 was registered December 15, 2009 in favour of the SMHOA over parts of Lot 2 shown on Plan EPP5115. This Statutory Right of Way is granted to the SMHOA for the purposes of the construction, installation, improvement, removal, alteration, repair, maintenance, operation and replacement of the Shared Areas and Facilities and in particular for sanitary sewer main storm swales and related works. This Statutory Right of Way is registered only against the remainder of Lot 2 (after Phase 2) and the Common Property.

CA1393304 – Statutory Right of Way

Statutory Right of Way CA1393304 was registered December 15, 2009 in favour of the SMHOA over parts of Lot 2 shown on Plan EPP5129. This Statutory Right of Way is granted to the SMHOA to provide for access over a portion of the common property of the Strata Corporation for, *inter alia*, the installation, maintenance and repair of pedestrian trails and pathways and waterfront access. This Statutory Right of Way is registered only against the Common Property.

CA1393310 – Statutory Right of Way

Statutory Right of Way CA1393310 was registered December 15, 2009 in favour of the SMHOA. This Statutory Right of Way is granted to the SMHOA to provide for access over portions of the Common Property of the West Strata Corporation shown on Plans EPP5130, 5131 and 5132 for the purpose of depositing snow cleared from the Strata Corporations roads and the Common Lot Road. This Statutory Right of Way is registered only against the Common Property.

CA1393319 – Covenant

Covenant CA1393319 was registered December 15, 2009 in favour of the SMHOA. This covenant, granted pursuant to section 219 of the *Land Title Act*, restricts development on certain portions of Lot 2 where there is a possible presence of a high water table. This covenant is registered only against Strata Lots 1 through 9, inclusive, and 30 through 36, inclusive.

CA1393320 – Easement

Easement CA1393320 was registered December 15, 2009 in favour of the registered owner of Lot 10, Plan EPP4579 and Lot 1, Plan EPP4579 ("Registered Owner"). This easement is granted to the Registered Owner to allow access over Strata Lots 43-53 (inclusive) for the purposes of the construction, installation, improvement, repair, maintenance, operation and replacement of an overhead power line infrastructure. The Registered Owner agreed to remove the overhead power line from the charged lands, and to discharge this encumbrance within one year of the registration of this encumbrance on title.

EXHIBIT "N-2"**CA1393326 – Statutory Right of Way**

Statutory Right of Way CA1393326 was registered December 15, 2009 in favour of Terasen. This Statutory Right of Way is granted to Terasen to provide for access over that portion of the Common Property of the West Strata Corporation shown on Plan EPP5126 for the purpose of the installation, repair and maintenance of underground pipelines for the distribution of natural gas to Lot 2. This Statutory Right of Way is registered only against the Common Property.

CA1393438 – Covenant

Covenant CA1393438 was registered December 15, 2009 in favour of City (as to Strata Lots 54-67, inclusive, and the Phase 2 Common Property). This covenant, granted pursuant to section 219 of the *Land Title Act*, imposes building requirements on improvements constructed on the charged Strata Lots as a result of such Strata Lots having a moderate to high fire hazard rating. Each owner of a Strata Lot charged by this encumbrance will be required to undertake certain fire treatment plan works prior to commencing construction of a residence on the Strata Lot.

CA1393431 – Covenant

Covenant CA1393431 was registered December 15, 2009 in favour of the City (as to Strata Lots 68 through 127, inclusive). This covenant, granted pursuant to section 219 of the *Land Title Act*, imposes building requirements on improvements constructed on the charged Strata Lots as a result of such Strata Lots having a low to moderate fire hazard rating. Each owner of a Strata Lot charged by this encumbrance will be required to undertake certain fire treatment plan works prior to commencing construction of a residence on the Strata Lot.

CA3515449 and CA3515450 – Mortgage and Assignment of Rents

These charges are in favour of Concentra Financial Services Association. The Developer advises that Concentra Financial Services Association as mortgagee, will grant partial releases of the mortgage insofar as it pertains to each Strata Lot sold, provided the net sale proceeds from the disposition of each Strata Lot sold are paid in the reduction of the balance owing under the mortgage.

Assignment of Rents CA3510049 in favour of Concentra Financial Services Association was registered in conjunction with Mortgage CA3515449.

CA3734391 – Mortgage

These charges are in favour of Westpoint Syndicated Mortgage Corporation. The Developer advises that Westpoint Syndicated Mortgage Corporation as mortgagee, will grant partial releases of the mortgage insofar as it pertains to each Strata Lot sold, provided the net sale proceeds from the disposition of each Strata Lot sold are paid in the reduction of the balance owing under the mortgage.

CA1393107 – CA1393110 – Priority Agreement

These Priority Agreements grant Covenant CA1393103 in favour of the City of Cranbrook priority over the Shadow Mountain Home Owners Association Charges CA1384501, CA1384504, CA1384505 and CA1384506.

EXHIBIT "N-2"

CA1393187 - CA1393190 – Priority Agreement

These Priority Agreements grant Covenant CA1393184 in favour of the City of Cranbrook priority over the Shadow Mountain Home Owners Association Charges CA1384501, CA1384504, CA1384505 and CA1384506.

CA1393194 – CA1393197 – Priority Agreement

These Priority Agreements grant Covenant CA1393191 in favour of the City of Cranbrook priority over the Shadow Mountain Home Owners Association Charges CA1384501, CA1384504, CA1384505 and CA1384506.

CA1393201 – CA1393204 – Priority Agreement

These Priority Agreements grant Covenant CA1393198 in favour of the City of Cranbrook priority over the Shadow Mountain Home Owners Association Charges CA1384501, CA1384504, CA1384505 and CA1384506.

CA1393208 – CA1393211 – Priority Agreement

These Priority Agreements grant Covenant CA1393205 in favour of the City of Cranbrook priority over the Shadow Mountain Home Owners Association Charges CA1384501, CA1384504, CA1384505 and CA1384506.

CA1393215 – CA1393218 – Priority Agreement

These Priority Agreements grant Covenant CA1393212 in favour of the City of Cranbrook priority over the Shadow Mountain Home Owners Association Charges CA1384501, CA1384504, CA1384505 and CA1384506.

CA1393289 – CA1393292 – Priority Agreement

These Priority Agreements grant Covenant CA1393286 in favour of the City of Cranbrook priority over the Shadow Mountain Home Owners Association Charges CA1384501, CA1384504, CA1384505 and CA1384506.

CA1393434 – CA1393437 – Priority Agreement

These Priority Agreements grant Covenant CA1393431 in favour of the City of Cranbrook priority over the Shadow Mountain Home Owners Association Charges CA1384501, CA1384504, CA1384505 and CA1384506.

CA1393441 – CA1393444 – Priority Agreement

These Priority Agreements grant Covenant CA1393438 in favour of the City of Cranbrook priority over the Shadow Mountain Home Owners Association Charges CA1384501, CA1384504, CA1384505 and CA1384506.

CA1393279 – Covenant

Covenant CA1393279 was registered December 15, 2009 (as to Strata Lots 2 and 30 through 35, inclusive) in favour of the City. This covenant, granted pursuant to section 219 of the *Land Title Act*, imposes building requirements on improvements constructed on the charged Strata Lots as a result of such Strata Lots having a low to moderate fire hazard rating. Each owner of a Strata Lot charged by this encumbrance will be required to undertake certain fire treatment plan works prior to commencing construction of a residence on a Strata Lot.

EXHIBIT "N-2"**CA1393296 – Statutory Right of Way**

Statutory Right of Way CA1393296 is in favour of the SMHOA over parts of Lot 2 shown on Plans EPP5124, 5121 and 5117. This Statutory Right of Way grants to the SMHOA access over the defined statutory right of way areas for the purposes of the construction, installation, improvement, removal, alteration, repair, maintenance, operation and replacement of certain Shared Areas and Facilities being storm sewer dry well works, including related fixtures. This Statutory Right of Way is registered only against Strata Lots 4, 15 and 30.

CA1393316 – Easement

Easement CA1393316 is in favour of the registered owner of Lot 10, EPP4579 and Lot A Plan EPP3167 ("Registered Owner"). This easement is granted to the Registered Owner for the purposes of the construction, installation, improvement, extension, removal, alteration, repair maintenance, operation and replacement of underground irrigation infrastructure on that part of Strata Lot 37 shown on Plan EPP5122.

CA1393318 – Easement

Easement CA1393318 is in favour registered owner of Lot 10, EPP4579 and Lot A Plan EPP3167 ("Registered Owner"). This easement is granted to the Registered Owner to provide for access over parts of Strata Lots 83-92 shown on Plan EPP4583 for the purpose of the installation, construction, repair, maintenance, operation and replacement of the liner and shore rock in and about the adjacent pond, and also for the purpose of vegetation control, and all works and things ancillary and incidental thereto.

CA1393448 – Easement

Easement CA1393448 was registered December 15, 2009 in favour of the registered owner of Lot 10, Plan EPP4579 and Lot A, Plan EPP3167 ("Registered Owner"). This easement is granted to the Registered Owner for the purposes of the construction, installation, improvement, extension, removal, alteration, repair maintenance, operation and replacement of underground irrigation infrastructure on that part of Strata Lot 120 shown on Plan EPP5119.

CA1393449 – Easement

Easement CA1393449 was registered December 15, 2009, in favour of the "Remainder Lot 2" (as defined in section 4.1 of the Disclosure Statement). This easement is granted in favour of the Remainder Lot 2 for the purposes of allowing the Developer to maintain a supply of gravel on portions of Strata Lots 77 and 78, on a temporary basis, and to gain access over those Strata Lots to and from the remainder of Lot 2 in order to access the gravel for its removal and relocation. This easement is registered only against Strata Lots 77 and 78.

CA1393341 – Covenant

Covenant CA1393341 was registered December 15, 2009 in favour of the City. This covenant, granted pursuant to section 219 of the *Land Title Act*, restricts use of and development on certain environmentally sensitive covenant areas within Lot 2 shown as Covenant Areas A, B and C on Plan EPP4581 to preserve the public interest in the protection, preservation and conservation of the natural state of such lands and the amenities thereon for ecological and environmental reasons.

EXHIBIT "N-2"

CA1393334 – Covenant

Covenant CA1393334 was registered December 15, 2009 in favour of the City. This covenant, granted pursuant to section 219 of the *Land Title Act*, restricts use of and development on certain environmentally sensitive areas within Lot 2 shown as Covenant Areas A, B and C on Plan EPP4581 in order to preserve the public interest in the protection, preservation and conservation of the natural state of such lands and the amenities thereon for ecological and environmental reasons.

CA1393348 – Covenant

Covenant CA1393348 was registered December 15, 2009 in favour of the City. This covenant, granted pursuant to section 219 of the *Land Title Act*, restricts or prohibits development on certain covenant areas within Lot 2 shown as Covenant Areas A, C and D on Plan EPP4581, as these areas are considered to be hazardous or undevelopable areas and are adjacent to or on slopes that have the potential to be unstable.

EXHIBIT O-2

Seller's Representative: _____

Strata Lot # _____

Buyer's Representative: _____

Reference # _____

Page 1 of _____

OFFER TO PURCHASE AND AGREEMENT OF SALE
RIVER'S CROSSING
WEST LOTS PHASE 1 AND 2 AND EAST LOTS PHASE 1

Seller:
RIVER'S CROSSING LTD.
201 – 1230 91 Street SW
Edmonton, Alberta T6X 0P2
(the "Seller")

Seller's Lawyers:
REED POPE LAW CORPORATION
202 – 1007 Fort Street
Victoria, BC V8V 3K5
(the "Seller's Lawyers")

1.1 The Buyer(s):

Full name: _____ Full name: _____

Address: _____ Address: _____

Email: _____ Email: _____

Telephone: Hm: _____ Wk: _____ Telephone: Hm: _____ Wk: _____

Fax: Hm: _____ Wk: _____ Fax: Hm: _____ Wk: _____

Occupation: _____ Occupation: _____

(collectively, the "Buyer")

The Buyer's Lawyer or notary public (if known): _____

_____ [insert Buyer's name] certifies to the Seller that the Buyer is ☐ [or]
is not ☐ a non-resident of Canada under the *Income Tax Act* (Canada).

_____ [insert Buyer's name] certifies to the Seller that the Buyer is ☐ [or]
is not ☐ a non-resident of Canada under the *Income Tax Act* (Canada).

1.2 The Property. [choose one option]

[] West Side

PID: _____, Strata Lot _____, District Lot 5267, Kootenay District, Strata Plan EPS136 together with an interest in the common property in proportion to the unit entitlement of the strata lot as shown on Form V and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP 4579 as to limited access).

[] East Side

PID: _____, Strata Lot _____, District Lot 9877, Kootenay District, Strata Plan EPS153 and an undivided 1/247 Share in Lot 1 District Lot 9877, Kootenay District, Plan EPP4920 together with an interest in the common property in proportion to the unit entitlement of the strata lot as shown on Form V (see plan as to limited access).

- 1.3 **Offer to Purchase.** The Buyer hereby offers to purchase from the Seller (the "**Offer**") the Property located in the bare land residential strata development legally known as either (a) The Owners, Strata Plan EPS136 (the "**West Strata Corporation**") or (b) The Owners, Strata Plan EPS153 (the "**East Strata Corporation**") (both the West Strata Corporation and East Strata Corporation are referred to in this Agreement as the "**Development**").
- 1.4 **Purchase Price and Deposit.** The purchase price (the "**Purchase Price**") for the Property (not including Goods and Services Tax ("**GST**"), or any other applicable value added or sales tax) is \$ _____. The Purchase Price will be paid by the Buyer in lawful money of Canada as follows:
- a) a deposit (the "**Initial Deposit**") of \$ _____ accompanies this Offer, which the Seller acknowledges by accepting this Offer; \$ _____
- b) a deposit (the "**Second Deposit**") of _____% of the Purchase Price (less the Initial Deposit) payable within seven (7) days of acceptance of this Offer by the Seller; \$ _____
- (the Initial Deposit and the Second Deposit collectively, the "**Deposit**"; and
- d) the balance of the Purchase Price, subject to adjustments described herein, payable on the Completion Date (as hereinafter defined). \$ _____
- All amounts comprising the Deposit will be payable by cheque, certified cheque or bank draft to "**Reed Pope Law Corporation, in trust**".
- 1.5 **Completion Date.** The completion date for the purchase and sale of the Property is _____ (the "**Completion Date**"). In no event will the Completion Date occur later than one (1) year from the date this Offer is accepted by the Seller (the "**Outside Completion Date**") unless otherwise agreed to in writing by the Buyer and the Seller.
- 1.6 **Bare Land Only.** The Buyer is purchasing bare land only. The construction of a residential home and all related improvements on the Property (collectively, the "**Residential Home**") will be completed by the Buyer after the Completion Date in accordance with the terms set out in **Schedule B and Schedule C**.
- 1.7 **Acceptance.** This Offer is open for acceptance by the Seller on or before 5:00 p.m. Mountain time on _____, 20_____ and upon acceptance, evidenced by the Seller signing a copy of this Offer, there will be a binding agreement of purchase and sale of the Property (the "**Agreement**") for the Purchase Price on the terms and conditions herein contained.
- 1.8 **Additional Terms and Conditions.** By signing below the Buyer acknowledges and agrees that they have read and agree to the additional terms and conditions contained in **Schedule A, Schedule B, Schedule C, Schedule D, Schedule E, and Schedule F** attached hereto (and any other Schedules attached hereto) which form part of this Offer and, if accepted by the Seller, this Agreement.

EXHIBIT 0-2

Strata Lot # _____

Reference # _____

Page 3 of _____

DATED at _____ this _____ day of _____, 20____.

[If Buyer is individual]

WITNESS:

_____)	_____ (seal)
Signature)	Buyer
_____)	
Name of Witness)	_____ (seal)
_____)	Buyer
(AS TO ALL SIGNATURES))	

[If Buyer is corporation]

[Corporate Name of Buyer]

Per: _____ (seal)
Authorized Signatory

Disclosure Statement Receipt

A. If buying a strata lot in the West Strata Corporation, the Buyer hereby acknowledges receiving and having a reasonable opportunity prior to the execution of this Agreement to read the Disclosure Statement dated April 22, 2014, the First Amendment to Disclosure Statement dated September 26, 2014, and the Second Amendment to Disclosure Statement dated June 3, 2018 (collectively, the "Disclosure Statement").

B. If buying a strata lot in the East Strata Corporation, the Buyer hereby acknowledges receiving and having a reasonable opportunity prior to the execution of this Agreement to read the Disclosure Statement dated March 20, 2014, and the First Amendment to Disclosure Statement dated September 26, 2014 (the "Disclosure Statement").

The execution of this Agreement will constitute a receipt by the Buyer in respect of the Disclosure Statement.

Buyer's Signature

Buyer's Signature

This Offer is accepted by the Seller at _____, British Columbia this _____ day of _____, 20____.

RIVER'S CROSSING LTD.

Per: _____
Authorized Signatory

SCHEDULE A
RIVER'S CROSSING
WEST LOTS PHASE 1 AND 2 AND EAST LOTS PHASE 1

I. DEPOSIT, COMPLETION DATE, AND POSSESSION

1. **Deposit.** The Deposit will be held in trust by the Seller's Lawyers in the manner required by the *Real Estate Development Marketing Act* (British Columbia) and will form part of the Purchase Price if the Buyer completes the purchase of the Property in accordance with this Agreement. No interest on the Deposit will be paid or payable to the Buyer. In the event the Seller fails to complete this transaction in accordance with this Agreement then the Deposit will be returned to the Buyer in full satisfaction of any and all claims the Buyer may have against the Seller.
2. **Completion Date.** The Completion Date is as set out in section 1.5 of the Offer.
3. **Extension.** If the Property is not capable of being conveyed on the Completion Date, then the Seller may delay the Completion Date, as may also be extended by section 4, from time to time as required by the Seller until the Property is capable of being conveyed by providing the Buyer, or the lawyer or notary public appointed to represent the Buyer (the "**Buyer's Lawyers**"), with at least 24 hours notice of such extension and the new Completion Date. Whether the Property is capable of being conveyed refers to the Property only and not to any other strata lot or the common property within the Development.
4. **Delay.** If the Seller is delayed in performing any obligation under this Agreement by reason of (a) unforeseen circumstances including without limitation earthquake, fire, explosion, accident, act or non-action of any government authority, strike, lockout, inability to obtain or delay in obtaining any labour, materials or equipment, flood, act of God, delay or failure by carriers or contractors, climatic conditions, or (b) by any other reason or circumstance beyond the exclusive control of the Seller, then the time within which the Seller must do anything hereunder, and the Completion Date will be extended by the period equivalent to the period of such delay as set out in written notice from the Seller to the Buyer, which notice will include the new extended Completion Date.
5. **Outside Completion Date.** Notwithstanding sections 2, 3, and 4 if the Completion Date has not occurred prior to the Outside Completion Date, and the Buyer and Seller have not entered into a written addendum extending the Outside Completion Date, then this Agreement will be null and void, whereupon the Buyer will be entitled to repayment of the Deposit and neither party will have any claim against the other party under or in respect of this Agreement.
6. **Possession.** The Buyer will have vacant possession of the Property on 12:01 a.m. Mountain time the day following the Completion Date.

II. CONVEYANCE

7. **Closing Documents.** The Buyer will prepare the documents necessary to complete this transaction and will deliver a Form A—Freehold Transfer (the “**Form A Transfer**”), statement of adjustments, and other documents reasonably required by the Seller to the Seller’s Lawyers in registerable form where necessary at least five (5) days prior to the Completion Date (the “**Closing Documents**”). The Buyer will be responsible for obtaining the Form B and Form F certificates (if applicable). The Seller will not be required to sign certificates containing additional representations and warranties not contained in this Agreement. The Seller will not be required to close this transaction utilizing the CBA Standard Undertakings and may rely on the closing procedures and undertakings required by the Seller’s Lawyers. The Buyer will bear all costs of preparing and registering the Closing Documents, obtaining the Form B and Form F (if applicable), and delivering the Purchase Price to the Seller. The Seller will bear all costs of providing clear title to the Property.
8. **Title.** On the Completion Date, the Seller will cause title in the Property to be transferred to the Buyer free and clear of all registered liens, charges and encumbrances of any nature whatsoever (the “**Charges**”) save and except:
- (a) the exceptions listed in subsection 23(2) of the *Land Title Act* (British Columbia);
 - (b) the legal notations set out in the Disclosure Statement;
 - (c) the encumbrances and proposed encumbrances set out in the Disclosure Statement;
 - (d) any other easements, rights-of-way, and any development covenants or agreements in favour of utilities, public authorities and other parties as required by them; and
 - (e) claims of builder’s liens if the Seller’s Lawyer has undertaken to remove same in accordance with section 11 below;
- (collectively, the “**Permitted Encumbrances**”)
- and on or before the Completion Date, the Seller will have taken whatever steps are necessary in order to obtain or make arrangements for any release or discharge of any registered Charges save and except the Permitted Encumbrances.
9. **Seller’s Financing.** The Buyer acknowledges and agrees that the Seller may be using the purchase monies received from the Buyer to obtain a partial discharge of the Charges from the Property and that therefore the Property may not be free and clear of the Charges on the Completion Date. The Buyer’s Lawyers will pay the balance of the adjusted Purchase Price on the Completion Date to the Seller’s Lawyers in trust on their undertaking to pay the amount required by the holder of the Charge to legally obligate the holder of the Charge to provide the Seller’s Lawyers with a registrable partial discharge of such Charge as it relates to the Property and to register the discharge of the Charge from title to the Property once received and, in the case of a claim of builder’s lien on the Seller’s Lawyers’ undertaking to pay the amount sufficient to cause same to be discharged within thirty (30) days after the Completion Date, or such later period of time as may be necessary in the circumstances provided the Seller is diligently proceeding to obtain such discharge including by paying all or part of the Purchase Price received into court in exchange for a court order ordering the release of the builder’s lien.

10. **Buyer's Financing.** If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the balance of the adjusted Purchase Price on the Completion Date, may wait to pay same until after the Form A 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 Property, the Buyer has:
- (a) deposited in trust with the Buyer's Lawyers 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 the Form A Transfer and the new mortgage; and
 - (c) made available to the Seller's Lawyers the undertaking of the Buyer's Lawyers to pay on the Completion Date the balance of the adjusted Purchase Price upon the lodging of the Form A Transfer and the new mortgage documents and the advance by the new mortgagee of the mortgage proceeds.
11. **Lien Holdback.** That portion, if any, of the Purchase Price required by law to be held by the Buyer in respect of potential builders' lien claims (the "**Lien Holdback**") will be paid to the Seller's Lawyers on the Completion Date. The Lien Holdback will be held by the Seller's Lawyers, in trust, pursuant to the *Strata Property Act* (British Columbia) and the *Builders Lien Act* (British Columbia), with interest, if any, for the benefit of the Seller, solely in respect of builders' lien claims registered in the applicable Land Title Office in connection with work done at the request of the Seller. The Seller's Lawyers are authorized to pay to the Seller, on the 56th day after the earlier of the date upon which substantial completion of the construction of the servicing for the Development occurred or the Completion Date (the earlier of such dates being the "**Substantial Completion Date**"), the Lien Holdback plus any interest earned less the amount representing builders' lien claims filed against the Property. The Buyer or Buyer's Lawyers are solely responsible to notify the Seller's Lawyers in writing of any builders lien claims filed against the Property by 1:00 p.m. Pacific time the 56th day after the Substantial Completion Date. The Buyer hereby authorizes the Seller and the Seller's Lawyers to do all things necessary to discharge any builders' liens, including bringing court proceedings in the name of the Buyer, provided that any such proceedings will be solely at the expense of the Seller.
12. **Time of the Essence.** Time will be of the essence in this Agreement. The Buyer acknowledges and agrees that unless all payments on account of the Purchase Price, together with all adjustments and other amounts payable by the Buyer to the Seller are paid when due, the Seller may immediately terminate this Agreement and in such event the Deposit will be immediately and absolutely forfeited to the Seller on account of damages without prejudice to the Seller's other remedies including a claim for additional damages. The Buyer acknowledges and agrees that in such event the Deposit represents earnest money, and is not in the nature of a penalty and the Buyer hereby irrevocably authorizes and directs the Seller's Lawyer and any lawyers, notaries public, or real estate agents holding any such Deposit to forthwith upon the request of the Seller deliver such Deposit to the Seller in the event the Buyer defaults on its obligations as contemplated under this section.
13. **Tender.** Any documents to be tendered on the Buyer may be tendered on the Buyer or the Buyer's Lawyers. Any documents or money to be tendered on the Seller will be tendered, if money, by way of certified cheque or bank draft and will be delivered at the Buyer's expense to the Seller's Lawyer.
14. **No Interest in Land.** Neither this Agreement nor any interest in the Property created hereunder will be registered in the applicable Land Title Office except for the Form A Transfer of the Property on the Completion Date. This Agreement creates contractual rights only between the Buyer and the Seller and not an interest in land.

15. **Assumed Obligations.** The Buyer agrees to assume the obligations of the Seller contained in the Permitted Encumbrances and to sign and provide an assumption agreement to the Seller in the Seller's standard form in such regard on the Completion Date.

III. TAXES, ADJUSTMENTS, AND RISK

16. **GST.** The Purchase Price does not include GST or any other value-added tax. The Buyer will assume and pay all applicable GST, and any value-added tax in respect of this transaction to the Seller on the Completion Date and the Seller will be responsible for remitting the GST and any value-added tax to the applicable authority.
17. **Additional Taxes and Adjustments.** The Purchase Price does not include any applicable real property taxes, property transfer tax, or provincial sales tax and the Buyer agrees to assume and pay for all such applicable taxes and rates, levies, local improvement assessments, utilities, and other such charges on the Completion Date. All adjustments both incoming and outgoing of any nature whatsoever will be made as of the Completion Date.
18. **Risk.** The Property will be at the risk of the Seller until the Form A Transfer of the Property has been accepted for registration in the applicable Land Title Office and thereafter at the risk of the Buyer.

IV. DESCRIPTION OF PROPERTY

19. **Property.** The Buyer acknowledges and agrees that (a) the Buyer is purchasing bare land only and that the Property includes utilities and services up to the lot line of the Property and no further improvements, (b) the Buyer has circled and initialed the Property as set out in **Schedule F**, (c) the Buyer is purchasing the Property substantially in accordance with the strata plan attached as an Exhibit to the Disclosure Statement, and (d) in the event of any conflict or discrepancy between the Property as described in the strata plan and any Marketing Material (as defined in section 34), the strata plan will prevail and the Buyer will not be entitled to any compensation for such variations or discrepancies.
20. **Development.** The buyer acknowledges and agrees that the Property is part of a long term development plan by the Seller and that there will be, from time to time, construction noise, traffic, dust, and dirt tracks on roadways in proximity to the Property and throughout the Development including further subdivision from time to time of the lands adjacent to or in proximity the Property and the Development.
21. **Service Facilities.** The Buyer acknowledges and agrees that the Development, including the Property, may include service facilities and equipment such as transformers, fire hydrants, underground pipes and conduits, servicing works and other such facilities and equipment required by municipal authorities, utility service providers and any other authority having jurisdiction over the Development. These service facilities will be located within the Property and the Development as required by municipal authorities, utility service providers and any other government authorities having jurisdiction or as recommended by the Seller's consultants. The Buyer acknowledges and agrees that the current plans for the Property and the Development may not indicate the location of all such service facilities and the Seller reserves the right to relocate, add, and/or delete all or a portion of the service facilities as is deemed necessary by the Seller, all without compensation to the Buyer.
22. **Civic Address.** The civic address and strata lot numbers relating to the Property, and the address assigned to the Development as of the date hereof are subject to change at the discretion of the Seller all without compensation to the Buyer.

V. ASSIGNMENT

23. **Assignment.** The Buyer may only assign their interest in the Property or their rights under this Agreement or direct the transfer of the Property to another or an additional party (each an "Assignment") in accordance with all of the following: (a) the Assignment must occur on or before a date that is at least thirty (30) days prior to the Completion Date; (b) the Buyer has paid the Deposit in accordance with this Agreement on or before the date of the Assignment; (c) the Seller's form of assignment agreement is used; and (d) the Buyer has obtained the Seller's written consent to the Assignment, which consent may be unreasonably withheld or subject to further conditions as determined by the Seller in its sole discretion. If the conditions set out in this section are not satisfied then the Seller will not be required to convey the Property on the Completion Date to anyone other than the Buyer named herein. In no event will an Assignment release or discharge the Buyer from any of their obligations or liabilities to the Seller under this Agreement.
24. **No Advertising.** The Buyer will not advertise or solicit offers from the public with respect to the assignment or resale of the Property or the Buyer's rights under this Agreement prior to the Completion Date without the prior written consent of the Seller, which consent may be unreasonably withheld.

VI. DEVELOPER REQUIREMENTS

25. **Permitted Signage.** The Buyer agrees that following the completion of this transaction, the Buyer will allow the Seller (by resolution of the Strata Corporation or otherwise) to do all of the following for the purposes of promoting, marketing and sales of the Development and other developments of the Seller:
- (a) erect and maintain promotional, marketing and sales signage on the common property of the Development;
 - (b) maintain one or more show suites, and hold open houses, special promotions and other marketing events; and
 - (c) have access to any and all parts of the common property of the Development, including limited common property that comprises public use areas.
26. **Strata Corporation Bylaws.** The Buyer acknowledges and agrees not to propose or to vote in favour of any changes to the bylaws of the Development that would adversely affect marketing and sales of the Development until the earlier of:
- (a) the date on which the Seller has completed the sale of lease of all the strata lots which it intends to sell or lease; and
 - (b) the date on which the Seller gives notice in writing to the Buyer that this provision is terminated.

The Buyer acknowledges and agrees that a breach of the agreement contained in this section will result in damage to the Seller which could not be adequately compensated for by a monetary award, and that accordingly, in the event of such a breach, in addition to all other remedies available to the Seller at law or in equity, the Seller will be entitled to apply to a Court of competent jurisdiction for such relief by way of restraining order, injunction, decree, or otherwise as may be appropriate to ensure compliance with the agreement in this section.

27. **Buyer's Subject Conditions.** Notwithstanding anything contained in this Agreement to the contrary, if the Buyer's obligation to purchase the Property is subject to one or more subject conditions, then the Seller may on written notice to the Buyer (the "**72 Hour Notice**") require the Buyer to either satisfy or waive any or all of such subject conditions within 72 hours of the Seller delivering the 72 Hour Notice to the Buyer. If the Buyer fails to either satisfy or waive any or all of such subject conditions by return written notice to the Seller within the time required then the Seller may terminate this Agreement, whereupon the Buyer will be entitled to repayment of the Deposit and neither party will have any claim against the other party under or in respect of this Agreement.
28. **Option to Purchase.** The Buyer will grant to the Seller on the Completion Date an option to purchase the Property (the "**Option to Purchase**"), in substantially the form attached as an Exhibit to the Disclosure Statement. The Option to Purchase will be registered by the Buyer on the Completion Date as a charge against the Property in priority to any financial encumbrances to be granted by the Buyer and will be a Permitted Encumbrance for the purpose of this Agreement.

VII. MISCELLANEOUS

29. **Notice.** Any notice, document or communication required or permitted to be given under this Agreement will be in writing and either delivered by hand, transmitted by facsimile or electronic mail, or sent by prepaid mail to the Seller or the Seller's Lawyers or to the Buyer, or to the Buyer's Lawyers, once appointed, as the case may be. The time of giving such notice, document, or communication will be, if personally delivered, when delivered, if sent by facsimile or by electronic mail, then on the day of transmission, and if mailed, then on the third (3) business day after the day of mailing.
30. **Non-Residency and Interest on the Deposit.** If the Buyer is a non-resident of Canada as defined under the *Income Tax Act* (Canada), the Buyer irrevocably authorizes the Seller's Lawyers to remit directly to the Receiver General for Canada such non-resident withholding tax in respect of interest earned on the Deposit (if any) as may be required by the *Income Tax Act* (Canada).
31. **Authorization to Seller's Lawyers.** The Seller and the Buyer hereby irrevocably authorize the Seller's Lawyers:
- (a) to deal with the Deposit and all interest earned thereon (if any) in accordance with the provisions of this Agreement and the *Real Estate Development Marketing Act*; and
 - (b) to interplead the Deposit and all interest thereon (if any), at the expense of the party ultimately determined to be entitled to such funds, should any dispute arise regarding the obligations of the Seller's Lawyers with respect to the Deposit.
32. **Privacy Consent.** The Buyer consents to the collection, use and disclosure of personal information contained in this Agreement and otherwise as collected by or on behalf of the Seller and its agents, affiliates and service providers for the following purposes:
- (a) to complete the transaction contemplated by this Agreement;
 - (b) to engage in business transactions including securing financing for the construction of the Development;
 - (c) to provide ongoing products and services to the Buyer;

- (d) to market, sell, provide and inform the Buyer of the Seller's products and services including information about future projects;
 - (e) as required by law; and
 - (f) for additional purposes identified when or before the information is collected.
33. **Miscellaneous.** Where there is more than one Buyer, the obligations of the Buyer will be construed as joint and several obligations. All words in this Agreement may be read and construed in the singular or plural, masculine or feminine, or body corporate, as the context requires. All references to legislation in this Agreement includes reference to such legislation as amended from time to time and any successor legislation as amended from time to time. This Agreement may not be altered or amended except by an amendment in writing signed by all parties. The Buyer and Seller agree that this Agreement will be governed and construed in accordance with the laws of British Columbia. This Agreement will enure to the benefit of and be binding on the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.
34. **Entire Agreement.** This Agreement constitutes the entire agreement between the Buyer and Seller with respect to the purchase and sale of the Property and the Development. There are no oral or written representations, warranties, terms, conditions or contracts or collateral representations, warranties, terms, conditions or contracts, expressed or implied, statutory or otherwise applicable hereto, made by the Seller, or the Seller's agents or employees, or any other person on behalf of the Seller, including, without limitation, arising out of any marketing material such as advertisements, brochures, models, floor plan layouts, show room displays, photographs, illustrations, renderings, blogs, iPads (or other tablets), websites, social media or any other electronic media including any simulated view or representation generated by a computer simulator located in the presentation centre or any other marketing material in respect of the Property or the Development (the "**Marketing Material**") other than those contained in this Agreement signed by all parties and in the Disclosure Statement.
35. **Survival.** All of the Buyer's obligations which are intended to be performed after the Completion Date will not merge on the Completion Date and will survive the completion of the sale of the Property to the Buyer as contemplated herein until they have been fully satisfied.
36. **Execution by Electronic Means.** This Agreement may be executed and delivered in counterpart and by electronic means and, if so executed and delivered, will be as effective as an originally executed contract.
37. **Electronic Delivery of Disclosure Statement.** As permitted by the *Real Estate Development Marketing Act* (British Columbia) and the *Electronic Transactions Act* (British Columbia), the Buyer agrees to receiving from the Seller a copy of the Disclosure Statement and all subsequent consolidations or amendments thereto by electronic means including by email, the Seller's or the Seller's Lawyer's website, or by a third party internet-based host-site such as dropbox. The Buyer represents to the Seller that the Buyer gave their written consent to the Seller to receive the Disclosure Statement electronically, if applicable, prior to the signature of this Agreement.
38. **Execution of Schedules.** The Buyer and Seller agree that the signature of the Buyer and Seller above will be evidence of their agreement to the terms contained in this **Schedule A, Schedule B, Schedule C, Schedule D, Schedule E, Schedule F**, and any other Schedules or addenda forming part of this Agreement.

SCHEDULE B
RIVER'S CROSSING
WEST LOTS PHASE 1 AND 2 AND EAST LOTS PHASE 1

1. **Bare Land Only.** The Buyer acknowledges that the Buyer is purchasing bare land only. The Property includes utility and services to the lot line of the Property, and no further improvements.
2. **Construction.** The Buyer agrees to construct the Residential Home on the Property in accordance with all applicable zoning and building bylaws and regulations, the requirements of the City of Cranbrook, the bylaws of the Strata Corporation, the statutory building scheme registered against title to the Property (the "**Statutory Building Scheme**") and the design guidelines substantially in the form attached as an Exhibit to the Disclosure Statement, as may be amended from time to time (the "**Design Guidelines**"), and any covenants registered on title to the Property.
3. **Approving Authority.** The Seller reserves the right to delegate to its affiliate, authorized agent, or assignee (the "**Approving Authority**"), the Seller's approving authority under the Building Scheme and Design Guidelines and references to the Seller's approving authority in this **Schedule B** include reference to the Approving Authority.
4. **Security Deposit.** The Buyer agrees to comply with the Building Scheme and Design Guidelines and to construct a Residential Home in accordance with the designs as represented in plans and specifications prepared by the Buyer and presented to and approved by the Seller and within the timelines required by the Building Scheme and Design Guidelines. The Buyer agrees that all requests for approval under the Design Guidelines will be accompanied by a security deposit of **\$5,000.00** (the "**Security Deposit**") which will be paid by the Buyer to the Seller on the Completion Date, if required by the Seller or as otherwise required under the Building Scheme, and if required on the Completion Date, the Security Deposit will be shown as an adjustment on the statement of adjustments, and which will be held in any event by the Seller as security to:
 - (a) ensure compliance with the Building Scheme and Design Guidelines;
 - (b) repair any damage to common property or strata lots, subdivision services or municipal services (including without limited the generality of the foregoing, sewer lines and water lines); and
 - (c) carry out any street cleaning, clean-up of common property areas or strata lots required as a result of the construction of the Residential Home.

The Security Deposit will be held by the Seller until all work, including without limitation, construction of the Residential Home, driveway, landscaping, walls/fencing and clean-up, has been completed to the Seller's satisfaction.

In the event that the Seller is not satisfied as provided above and there is further repair or cleaning required then the Seller may deduct the cost of all necessary repairs and cleaning from the Security Deposit and use such funds to make such repairs and undertake such cleaning. Any balance remaining of the Security Deposit will be returned to the Buyer within ten (10) days after completion of the proposed Residential Home, and completion of the repairs and cleaning. In the event that the Security Deposit is not sufficient to pay the cost of any such repairs or cleaning, then the Buyer will remain liable for any shortfall and such shortfall will be a debt immediately due to the Seller.

5. **Design Approval.** The Buyer agree to pay the Seller a reasonable fee or hourly rate, based on industry standard rates, for the review and processing of the Buyer's proposed plans and specifications. Such fee will, if requested, be paid in advance of any review by the Seller of the Buyer's proposed plans and specifications.

The Seller reserves the right to approve or reject a plan or design for any Residential Home as it deems necessary for the better aesthetic appearance or function of the Development or for the better application of the Building Scheme and Design Guidelines and the Buyer agrees to comply with the Seller's decision with respect to plans and specifications without the need for any compensation to the Buyer. The Buyer will not change the plans or specifications once approved unless the Seller agrees. Any cost or expense to the Seller or Approving Authority associated with any changes to the approved plans or specifications requested by the Buyer will be paid for by the Buyer.

The Buyer further agrees that the approval is not a warranty as to the fitness of the Residential Home or its compliance with applicable zoning and building bylaws and regulations, requirements of the City of Cranbrook, or covenants registered on title to the Property.

6. **Neat and Tidy Condition.** The Buyer agrees, at all times, to maintain the Property (and adjacent lands) in a neat and tidy condition. The Buyer further agrees that until a Residential Home has been constructed on the Property, the Property will not be used for the storage of any materials whatsoever, whether natural or man-made including without limitation wood, stone, gravel, earth, building materials, trailers, mobile homes, recreation vehicles or boats PROVIDED that this restriction will not prohibit the Buyer from keeping building materials, trailers or related storage facilities on the Property during construction of the Buyer's Residential Home on the Property so long as they are being used in the course of construction of such home. Should the Buyer fail to regularly maintain the Property as herein provided within seven (7) days of delivery of a request from the Seller to do so, the Seller may, at its option, cause such work to be carried out, and to deduct the costs thereof from the Buyer's construction Security Deposit and recover any shortfall.
7. **No Camping.** The Buyer acknowledges and agrees that it will not store anything on the Property, or use or occupy the Property for the purpose of camping including without limitation by way of tents, campers, trailers, or other means of overnight stay, nor will any barbeques or campfires be permitted on the Property until an occupancy permit has been issued by the City of Cranbrook for the Residential Home.
8. **Assumption Agreement.** The Buyer agrees that if the Buyer sells or transfers the Property to any other person or entity (a "Transferee") prior to the Residential Home being substantially complete in accordance with the terms provided for herein, the Buyer will deliver to the Seller an agreement in the Seller's standard form executed by the Transferee pursuant to which the Transferee agrees to be bound by and assume the Buyer's construction obligations contained herein including without limitation the obligations set out in this Schedule B.

**SCHEDULE C
RIVER'S CROSSING
WEST LOTS PHASE 1 AND 2 AND EAST LOTS PHASE 1**

The Buyer acknowledges and agrees to ensure that its contractors comply with the following obligations and agrees to be responsible in the event its contractors fail to do so:

1. All builders must be covered under a New Home Warranty that is acceptable to all major banks.
2. All builders must carry at least \$2 million in liability insurance.
3. All trash must be contained on the Property and be managed so as not to be unsightly to other residents.
4. The Buyer is to provide a self-contained temporary washroom facility and not permit a person to continue working at the site who does not use the washroom facility for its intended purpose.
5. Ensure no damage to the adjacent land or landscape and make good all damage caused to adjacent property.
6. Complete all work in accordance with the approved plans and specifications.
7. All builders must maintain professional conduct and appearance so as to not be offensive to other residents, visitors, clients or golfers.
8. All construction traffic must adhere to speed limits, posted construction signage and safe operation due to heavy pedestrian traffic onsite.
9. Onsite signage must comply with rules set out by the Seller.
10. Construction must not be conducted during the hours of 10pm to 7am, and must adhere to noise bylaws.
11. All efforts should be made as to not in any way inconvenience residents, visitors, clients, or golfers. Any issues or concerns should be brought up with the Seller immediately.
12. All construction must be in accordance with the BC and Canadian Building Codes.
13. All construction must adhere to Occupational Health and Safety standards.
14. A copy of the builder's and/or contractor's Safety Procedures Manual must be submitted to the Seller for approval.
15. A WorkSafeBC Insurance Policy must be maintained throughout the construction period.
16. City of Cranbrook business license must be maintained throughout the construction period.
17. All efforts must be taken to maintain the natural lay of the land. Piles and debris may not be left behind after building completion.
18. All construction vehicles should have signage and contact information visible.
19. If required by the Seller to do so, the Buyer will cause its contractors to sign an agreement committing to the above requirements.

SCHEDULE D
RIVER'S CROSSING
WEST LOTS PHASE 1 AND 2 AND EAST LOTS PHASE 1

The Buyer's obligation to carry out the agreements contemplated in this Agreement is conditional upon the following:

- (a) On or before _____, the Buyer will have received a financing commitment for the purchase of the Property which is satisfactory to the Buyer in its sole discretion ("**Condition A**").
- (b) On or before _____, the Buyer will have satisfied itself as to the state of title of the Property, including without limitation, the nature of the Building Scheme, Design Guidelines, and each of the other Permitted Encumbrances ("**Condition B**").
- (c) On or before _____, the Buyer _____

 ("**Condition C**")

The above conditions are for the Buyer's sole benefit and may be waived unilaterally by the Buyer at any time. If the Buyer does not give the Seller notice of the satisfaction or waiver of the above conditions by the times and dates so stated, subject to the Seller delivering a 72 Hour Notice as set out in section 27 of this Agreement, the Buyer's obligation to complete the purchase of the Property will be at an end, the Seller will return to the Buyer the Deposit and this Agreement will be terminated without further recourse by either party.

In consideration of this Agreement, \$10.00 non-refundable paid by the Buyer to the Seller and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Seller, the Seller agrees not to revoke this Agreement while it remains subject to the foregoing conditions. The Parties agree that this Agreement will become an unconditional contract for the purchase and sale of the Property forthwith upon the satisfaction or waiver of the foregoing conditions.

**SCHEDULE E
RIVER'S CROSSING
WEST LOTS PHASE 1 AND 2 AND EAST LOTS PHASE 1**

The Buyer agrees that the following conditions listed on **Schedule D** have been waived or satisfied on or before the date as indicated below:

(a) **Condition A** waiver or satisfied on _____

Buyer

Buyer

RIVER'S CROSSING LTD.

Per: _____

Authorized Signatory

(b) **Condition B** waiver or satisfied on _____

Buyer

Buyer

RIVER'S CROSSING LTD.

Per: _____

Authorized Signatory

(c) **Condition C** waiver or satisfied on _____

Buyer

Buyer

RIVER'S CROSSING LTD.

Per: _____

Authorized Signatory

EXHIBIT O-2

Strata Lot # _____

Reference # _____

Page 16 of _____

**SCHEDULE F
RIVER'S CROSSING
WEST LOTS PHASE 1 AND 2 AND EAST LOTS PHASE 1**

[attach strata plan]

EXHIBIT R-2

Seller's Representative: _____

Strata Lot # _____

Buyer's Representative: _____

Reference # _____

Page 1 of _____

OFFER TO PURCHASE AND AGREEMENT OF SALE
RIVER'S CROSSING
RITCHIE BROS. AUCTION

Seller:

RIVER'S CROSSING LTD.
201 – 1230 91 Street SW
Edmonton, Alberta, T6X 0P2
(the "Seller")

Seller's Lawyers:

REED POPE LAW CORPORATION
202 – 1007 Fort Street
Victoria, BC V8V 3K5
(the "Seller's Lawyers")

1.1 The Buyer(s):

Full name: _____ Full name: _____

Address: _____ Address: _____

Email: _____ Email: _____

Telephone: Hm: _____ Wk: _____ Telephone: Hm: _____ Wk: _____

Fax: Hm: _____ Wk: _____ Fax: Hm: _____ Wk: _____

Occupation: _____ Occupation: _____

(collectively, the "Buyer")

The Buyer's Lawyer or notary public (if known): _____

_____ [insert Buyer's name] certifies to the Seller that the Buyer is ☐ [or]
is not ☐ a non-resident of Canada under the *Income Tax Act* (Canada).

_____ [insert Buyer's name] certifies to the Seller that the Buyer is ☐ [or]
is not ☐ a non-resident of Canada under the *Income Tax Act* (Canada).

Disclosure Statement Receipt

The Buyer hereby acknowledges receiving and having a reasonable opportunity prior to the execution of this Agreement to read the Disclosure Statement dated April 22, 2014, the First Amendment to Disclosure Statement dated September 26, 2014, and the Second Amendment to Disclosure Statement dated June 3, 2018 (collectively, the "Disclosure Statement"). The execution of this Agreement will constitute a receipt by the Buyer in respect of the Disclosure Statement.

Buyer's Signature

Buyer's Signature

- 1.2 **The Property.** PID: _____, Strata Lot _____, District Lot 5267, Kootenay District, Strata Plan EPS136 together with an interest in the common property in proportion to the unit entitlement of the strata lot as shown on Form V and an undivided 1/918 Share in Lot 1, Plan EPP4579 (see plan EPP 4579 as to limited access) (the "**Property**").
- 1.3 **Offer to Purchase.** The Buyer hereby offers to purchase from the Seller (the "**Offer**") the Property located in the bare land residential strata development legally known as The Owners, Strata Plan EPS136 (the "**Development**").
- 1.4 **Purchase Price and Deposit.** The purchase price (the "**Purchase Price**") for the Property (not including Goods and Services Tax ("**GST**"), or any other applicable value added or sales tax) is \$ _____. The Purchase Price will be paid by the Buyer in lawful money of Canada as follows:
- a) a deposit (the "**Deposit**") of 25% of the Purchase Price accompanies this Offer, which the Seller acknowledges by accepting this Offer; and \$ _____
 - b) the balance of the Purchase Price, subject to adjustments described herein, payable on the Completion Date (as hereinafter defined).
\$ _____
- All amounts comprising the Deposit will be payable by cheque, certified cheque or bank draft to "**Reed Pope Law Corporation, in trust**".
- 1.5 **Completion Date.** The Buyer acknowledges and agrees that the Completion Date will be set by the Seller in accordance with section 2 of **Schedule A**. The Seller presently anticipates the Completion Date will occur between June 25, 2018 and June 29, 2018, however this is an estimate only and the Seller does not guarantee the Completion Date will occur within those dates. In no event will the Completion Date occur later than one (1) year from the date this Offer is accepted by the Seller (the "**Outside Completion Date**") unless otherwise agreed to in writing by the Buyer and the Seller.
- 1.6 **Bare Land Only.** The Buyer is purchasing bare land only. The construction of a residential home and all related improvements on the Property (collectively, the "**Residential Home**") will be completed by the Buyer after the Completion Date in accordance with the terms set out in **Schedule B** and **Schedule C**.
- 1.7 **Additional Terms and Conditions.** By signing below the Buyer acknowledges and agrees that they have read and agree to the additional terms and conditions contained in **Schedule A**, **Schedule B**, **Schedule C**, and **Schedule D** attached hereto (and any other Schedules attached hereto) which form part of this Offer and, if accepted by the Seller, this Agreement.

DATED at _____ this 13th day of June, 2018.

[If Buyer is individual]

WITNESS:

_____)	_____ (seal)
Signature)	Buyer
_____)	
Name of Witness)	_____ (seal)
_____)	Buyer
(AS TO ALL SIGNATURES))	

[If Buyer is corporation]

[Corporate Name of Buyer]

Per: _____ (seal)
 Authorized Signatory

This Offer is accepted by the Seller at the completion of the bid process conducted by Ritchie Bros. Auctioneers (Canada) Ltd. (the "**Auctioneer**") at Nisku, Alberta this June 13, 2018, and upon acceptance, evidenced by the Seller signing a copy of this Offer, there will be a binding agreement of purchase and sale of the Property (the "**Agreement**") for the Purchase Price on the terms and conditions herein contained.

RIVER'S CROSSING LTD.

Per: _____
 Authorized Signatory

**SCHEDULE A
RIVER'S CROSSING
RITCHIE BROS. AUCTION**

I. DEPOSIT, COMPLETION DATE, AND POSSESSION

1. **Deposit.** The Deposit will be held in trust by the Seller's Lawyers in the manner required by the *Real Estate Development Marketing Act* (British Columbia) and will form part of the Purchase Price if the Buyer completes the purchase of the Property in accordance with this Agreement. No interest on the Deposit will be paid or payable to the Buyer. In the event the Seller fails to complete this transaction in accordance with this Agreement then the Deposit will be returned to the Buyer in full satisfaction of any and all claims the Buyer may have against the Seller.
2. **Completion Date.** The Seller will give the Buyer written notice in accordance with section 29 below (the "Closing Notice") of the date the Seller will transfer the Property to the Buyer (the "Completion Date"). The Completion Date will be at least 7 days after the Closing Notice has been given to the Buyer. Subject to the operation of sections 3 and 4, the completion of the purchase and sale of the Property will take place on the Completion Date. In the event the applicable Land Title Office is closed on the Completion Date, the Completion Date will be extended to the next day a transfer of the Property to the Buyer can be registered in the applicable Land Title Office.
3. **Extension.** If the Property is not capable of being conveyed on the Completion Date, then the Seller may delay the Completion Date, as may also be extended by section 4, from time to time as required by the Seller until the Property is capable of being conveyed by providing the Buyer, or the lawyer or notary public appointed to represent the Buyer (the "Buyer's Lawyers"), with at least 24 hours notice of such extension and the new Completion Date. Whether the Property is capable of being conveyed refers to the Property only and not to any other strata lot or the common property within the Development.
4. **Delay.** If the Seller is delayed in performing any obligation under this Agreement by reason of (a) unforeseen circumstances including without limitation earthquake, fire, explosion, accident, act on non-action of any government authority, strike, lockout, inability to obtain or delay in obtaining any labour, materials or equipment, flood, act of God, delay or failure by carriers or contractors, climatic conditions, or (b) by any other reason or circumstance beyond the exclusive control of the Seller, then the time within which the Seller must do anything hereunder, and the Completion Date will be extended by the period equivalent to the period of such delay as set out in written notice from the Seller to the Buyer, which notice will include the new extended Completion Date.
5. **Outside Completion Date.** Notwithstanding sections 2, 3, and 4 if the Completion Date has not occurred prior to the Outside Completion Date, and the Buyer and Seller have not entered into a written addendum extending the Outside Completion Date, then this Agreement will be null and void, whereupon the Buyer will be entitled to repayment of the Deposit and neither party will have any claim against the other party under or in respect of this Agreement.
6. **Possession.** The Buyer will have vacant possession of the Property on 12:01 a.m. Mountain time the day following the Completion Date.

II. CONVEYANCE

7. **Closing Documents.** The Buyer will prepare the documents necessary to complete this transaction and will deliver a Form A—Freehold Transfer (the “**Form A Transfer**”), statement of adjustments, and other documents reasonably required by the Seller to the Seller’s Lawyers in registerable form where necessary at least three (3) days prior to the Completion Date (the “**Closing Documents**”). The Buyer will be responsible for obtaining the Form B and Form F certificates (if applicable). The Seller will not be required to sign certificates containing additional representations and warranties not contained in this Agreement. The Seller will not be required to close this transaction utilizing the CBA Standard Undertakings and may rely on the closing procedures and undertakings required by the Seller’s Lawyers. The Buyer will bear all costs of preparing and registering the Closing Documents, obtaining the Form B and Form F (if applicable), and delivering the Purchase Price to the Seller. The Seller will bear all costs of providing clear title to the Property.
8. **Title.** On the Completion Date, the Seller will cause title in the Property to be transferred to the Buyer free and clear of all registered liens, charges and encumbrances of any nature whatsoever (the “**Charges**”) save and except:
- (a) the exceptions listed in subsection 23(2) of the *Land Title Act* (British Columbia);
 - (b) the legal notations set out in the Disclosure Statement;
 - (c) the encumbrances and proposed encumbrances set out in the Disclosure Statement;
 - (d) any other easements, rights-of-way, and any development covenants or agreements in favour of utilities, public authorities and other parties as required by them; and
 - (e) claims of builder’s liens if the Seller’s Lawyer has undertaken to remove same in accordance with section 11 below;
- (collectively, the “**Permitted Encumbrances**”)
- and on or before the Completion Date, the Seller will have taken whatever steps are necessary in order to obtain or make arrangements for any release or discharge of any registered Charges save and except the Permitted Encumbrances.
9. **Seller’s Financing.** The Buyer acknowledges and agrees that the Seller may be using the purchase monies received from the Buyer to obtain a partial discharge of the Charges from the Property and that therefore the Property may not be free and clear of the Charges on the Completion Date. The Buyer’s Lawyers will pay the balance of the adjusted Purchase Price on the Completion Date to the Seller’s Lawyers in trust on their undertaking to pay the amount required by the holder of the Charge to legally obligate the holder of the Charge to provide the Seller’s Lawyers with a registrable partial discharge of such Charge as it relates to the Property and to register the discharge of the Charge from title to the Property once received and, in the case of a claim of builder’s lien on the Seller’s Lawyers’ undertaking to pay the amount sufficient to cause same to be discharged within thirty (30) days after the Completion Date, or such later period of time as may be necessary in the circumstances provided the Seller is diligently proceeding to obtain such discharge including by paying all or part of the Purchase Price received into court in exchange for a court order ordering the release of the builder’s lien.

10. **Buyer's Financing.** If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the balance of the adjusted Purchase Price on the Completion Date, may wait to pay same until after the Form A 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 Property, the Buyer has:
- (a) deposited in trust with the Buyer's Lawyers 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 the Form A Transfer and the new mortgage; and
 - (c) made available to the Seller's Lawyers the undertaking of the Buyer's Lawyers to pay on the Completion Date the balance of the adjusted Purchase Price upon the lodging of the Form A Transfer and the new mortgage documents and the advance by the new mortgagee of the mortgage proceeds.
11. **Lien Holdback.** That portion, if any, of the Purchase Price required by law to be held by the Buyer in respect of potential builders' lien claims (the "**Lien Holdback**") will be paid to the Seller's Lawyers on the Completion Date. The Lien Holdback will be held by the Seller's Lawyers, in trust, pursuant to the *Strata Property Act* (British Columbia) and the *Builders Lien Act* (British Columbia), with interest, if any, for the benefit of the Seller, solely in respect of builders' lien claims registered in the applicable Land Title Office in connection with work done at the request of the Seller. The Seller's Lawyers are authorized to pay to the Seller, on the 56th day after the earlier of the date upon which substantial completion of the construction of the servicing for the Development occurred or the Completion Date (the earlier of such dates being the "**Substantial Completion Date**"), the Lien Holdback plus any interest earned less the amount representing builders' lien claims filed against the Property. The Buyer or Buyer's Lawyers are solely responsible to notify the Seller's Lawyers in writing of any builders lien claims filed against the Property by 1:00 p.m. Pacific time the 56th day after the Substantial Completion Date. The Buyer hereby authorizes the Seller and the Seller's Lawyers to do all things necessary to discharge any builders' liens, including bringing court proceedings in the name of the Buyer, provided that any such proceedings will be solely at the expense of the Seller.
12. **Time of the Essence.** Time will be of the essence in this Agreement. The Buyer acknowledges and agrees that unless all payments on account of the Purchase Price, together with all adjustments and other amounts payable by the Buyer to the Seller are paid when due, the Seller may immediately terminate this Agreement and in such event the Deposit will be immediately and absolutely forfeited to the Seller on account of damages without prejudice to the Seller's other remedies including a claim for additional damages. The Buyer acknowledges and agrees that in such event the Deposit represents earnest money, and is not in the nature of a penalty and the Buyer hereby irrevocably authorizes and directs the Seller's Lawyer and any lawyers, notaries public, or real estate agents holding any such Deposit to forthwith upon the request of the Seller deliver such Deposit to the Seller in the event the Buyer defaults on its obligations as contemplated under this section.
13. **Tender.** Any documents to be tendered on the Buyer may be tendered on the Buyer or the Buyer's Lawyers. Any documents or money to be tendered on the Seller will be tendered, if money, by way of certified cheque or bank draft and will be delivered at the Buyer's expense to the Seller's Lawyer.
14. **No Interest in Land.** Neither this Agreement nor any interest in the Property created hereunder will be registered in the applicable Land Title Office except for the Form A Transfer of the Property on the Completion Date. This Agreement creates contractual rights only between the Buyer and the Seller and not an interest in land.

15. **Assumed Obligations.** The Buyer agrees to assume the obligations of the Seller contained in the Permitted Encumbrances and to sign and provide an assumption agreement to the Seller in the Seller's standard form in such regard on the Completion Date.

III. TAXES, ADJUSTMENTS, AND RISK

16. **GST.** The Purchase Price does not include GST or any other value-added tax. The Buyer will assume and pay all applicable GST, and any value-added tax in respect of this transaction to the Seller on the Completion Date and the Seller will be responsible for remitting the GST and any value-added tax to the applicable authority.
17. **Additional Taxes and Adjustments.** The Purchase Price does not include any applicable real property taxes, property transfer tax, or provincial sales tax and the Buyer agrees to assume and pay for all such applicable taxes and rates, levies, local improvement assessments, utilities, and other such charges on the Completion Date. All adjustments both incoming and outgoing of any nature whatsoever will be made as of the Completion Date.
18. **Risk.** The Property will be at the risk of the Seller until the Form A Transfer of the Property has been accepted for registration in the applicable Land Title Office and thereafter at the risk of the Buyer.

IV. DESCRIPTION OF PROPERTY

19. **Property.** The Buyer acknowledges and agrees that (a) the Buyer is purchasing bare land only and that the Property includes utilities and services up to the lot line of the Property and no further improvements, (b) the Buyer has circled and initialed the Property as set out in **Schedule D**, (c) the Buyer is purchasing the Property substantially in accordance with the strata plan attached as an Exhibit to the Disclosure Statement, and (d) in the event of any conflict or discrepancy between the Property as described in the strata plan and any Marketing Material (as defined in section 34), the strata plan will prevail and the Buyer will not be entitled to any compensation for such variations or discrepancies.
20. **Development.** The buyer acknowledges and agrees that the Property is part of a long term development plan by the Seller and that there will be, from time to time, construction noise, traffic, dust, and dirt tracks on roadways in proximity to the Property and throughout the Development including further subdivision from time to time of the lands adjacent to or in proximity the Property and the Development.
21. **Service Facilities.** The Buyer acknowledges and agrees that the Development, including the Property, may include service facilities and equipment such as transformers, fire hydrants, underground pipes and conduits, servicing works and other such facilities and equipment required by municipal authorities, utility service providers and any other authority having jurisdiction over the Development. These service facilities will be located within the Property and the Development as required by municipal authorities, utility service providers and any other government authorities having jurisdiction or as recommended by the Seller's consultants. The Buyer acknowledges and agrees that the current plans for the Property and the Development may not indicate the location of all such service facilities and the Seller reserves the right to relocate, add, and/or delete all or a portion of the service facilities as is deemed necessary by the Seller, all without compensation to the Buyer.
22. **Civic Address.** The civic address and strata lot numbers relating to the Property, and the address assigned to the Development as of the date hereof are subject to change at the discretion of the Seller all without compensation to the Buyer.

V. ASSIGNMENT

23. **Assignment.** The Buyer may only assign their interest in the Property or their rights under this Agreement or direct the transfer of the Property to another or an additional party (each an "Assignment") in accordance with all of the following: (a) the Assignment must occur on or before a date that is at least thirty (30) days prior to the Completion Date; (b) the Buyer has paid the Deposit in accordance with this Agreement on or before the date of the Assignment; (c) the Seller's form of assignment agreement is used; and (d) the Buyer has obtained the Seller's written consent to the Assignment, which consent may be unreasonably withheld or subject to further conditions as determined by the Seller in its sole discretion. If the conditions set out in this section are not satisfied then the Seller will not be required to convey the Property on the Completion Date to anyone other than the Buyer named herein. In no event will an Assignment release or discharge the Buyer from any of their obligations or liabilities to the Seller under this Agreement.
24. **No Advertising.** The Buyer will not advertise or solicit offers from the public with respect to the assignment or resale of the Property or the Buyer's rights under this Agreement prior to the Completion Date without the prior written consent of the Seller, which consent may be unreasonably withheld.

VI. DEVELOPER REQUIREMENTS

25. **Permitted Signage.** The Buyer agrees that following the completion of this transaction, the Buyer will allow the Seller (by resolution of the Strata Corporation or otherwise) to do all of the following for the purposes of promoting, marketing and sales of the Development and other developments of the Seller:
- (a) erect and maintain promotional, marketing and sales signage on the common property of the Development;
 - (b) maintain one or more show suites, and hold open houses, special promotions and other marketing events; and
 - (c) have access to any and all parts of the common property of the Development, including limited common property that comprises public use areas.
26. **Strata Corporation Bylaws.** The Buyer acknowledges and agrees not to propose or to vote in favour of any changes to the bylaws of the Development that would adversely affect marketing and sales of the Development until the earlier of:
- (a) the date on which the Seller has completed the sale of lease of all the strata lots which it intends to sell or lease; and
 - (b) the date on which the Seller gives notice in writing to the Buyer that this provision is terminated.

The Buyer acknowledges and agrees that a breach of the agreement contained in this section will result in damage to the Seller which could not be adequately compensated for by a monetary award, and that accordingly, in the event of such a breach, in addition to all other remedies available to the Seller at law or in equity, the Seller will be entitled to apply to a Court of competent jurisdiction for such relief by way of restraining order, injunction, decree, or otherwise as may be appropriate to ensure compliance with the agreement in this section.

27. **Option to Purchase.** The Buyer will grant to the Seller on the Completion Date an option to purchase the Property (the "**Option to Purchase**"), in substantially the form attached as an Exhibit to the Disclosure Statement. The Option to Purchase will be registered by the Buyer on the Completion Date as a charge against the Property in priority to any financial encumbrances to be granted by the Buyer and will be a Permitted Encumbrance for the purpose of this Agreement.
28. **Ritchie Bros. Auction.** Notwithstanding anything contained in this Agreement to the contrary, the Buyer acknowledges and agrees that:
- (a) the Buyer has read and understood the Auctioneer's terms of service in connection with the auction of the Property to be held on or about June 13, 2018 (the "**Auction**") and accepts all such terms of service including the Buyer's agreement to pay directly to the Auctioneer all such fees or charges (plus applicable taxes) required by the Auctioneer in connection with the Auction, and for greater clarity, such fees and charges will be in addition to and separate from the Purchase Price;
 - (b) the Buyer's obligation to purchase the Property is not conditional upon or subject to the Buyer obtaining financing, performing due diligence, or any other condition or requirement for the benefit of the Buyer, and for greater clarity, the Buyer acknowledges and agrees that if the Buyer is the successful bidder of the Property at the Auction, the Buyer hereby directs and authorizes the Auctioneer (and their affiliates, agents, employees, or contractors) to insert the Purchase Price determined at the Auction into the Offer and the Buyer agrees to sign the Offer and take whatever further steps are necessary in order to consummate the transactions contemplated by this Agreement including signing such further documents or instruments required to do so;
 - (c) the Buyer has performed their own independent due diligence with respect to the Property and the Development and has not relied upon any information provided by the Auctioneer or their affiliates, agents, employees, or contractors in entering into this Agreement; and
 - (d) the Auctioneer and their affiliates, agents, employees, and contractors, are acting exclusively for the Seller in this transaction and not as the Buyer's agent or any form of limited dual agency.

VII. MISCELLANEOUS

29. **Notice.** Any notice, document or communication required or permitted to be given under this Agreement will be in writing and either delivered by hand, transmitted by facsimile or electronic mail, or sent by prepaid mail to the Seller or the Seller's Lawyers or to the Buyer, or to the Buyer's Lawyers, once appointed, as the case may be. The time of giving such notice, document, or communication will be, if personally delivered, when delivered, if sent by facsimile or by electronic mail, then on the day of transmission, and if mailed, then on the third (3) business day after the day of mailing.
30. **Non-Residency and Interest on the Deposit.** If the Buyer is a non-resident of Canada as defined under the *Income Tax Act* (Canada), the Buyer irrevocably authorizes the Seller's Lawyers to remit directly to the Receiver General for Canada such non-resident withholding tax in respect of interest earned on the Deposit (if any) as may be required by the *Income Tax Act* (Canada).

31. **Authorization to Seller's Lawyers.** The Seller and the Buyer hereby irrevocably authorize the Seller's Lawyers:
- (a) to deal with the Deposit and all interest earned thereon (if any) in accordance with the provisions of this Agreement and the *Real Estate Development Marketing Act*; and
 - (b) to interplead the Deposit and all interest thereon (if any), at the expense of the party ultimately determined to be entitled to such funds, should any dispute arise regarding the obligations of the Seller's Lawyers with respect to the Deposit.
32. **Privacy Consent.** The Buyer consents to the collection, use and disclosure of personal information contained in this Agreement and otherwise as collected by or on behalf of the Seller and its agents, affiliates and service providers for the following purposes:
- (a) to complete the transaction contemplated by this Agreement;
 - (b) to engage in business transactions including securing financing for the construction of the Development;
 - (c) to provide ongoing products and services to the Buyer;
 - (d) to market, sell, provide and inform the Buyer of the Seller's products and services including information about future projects;
 - (e) as required by law; and
 - (f) for additional purposes identified when or before the information is collected.
33. **Miscellaneous.** Where there is more than one Buyer, the obligations of the Buyer will be construed as joint and several obligations. All words in this Agreement may be read and construed in the singular or plural, masculine or feminine, or body corporate, as the context requires. All references to legislation in this Agreement includes reference to such legislation as amended from time to time and any successor legislation as amended from time to time. This Agreement may not be altered or amended except by an amendment in writing signed by all parties. The Buyer and Seller agree that this Agreement will be governed and construed in accordance with the laws of British Columbia. This Agreement will enure to the benefit of and be binding on the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.
34. **Entire Agreement.** This Agreement constitutes the entire agreement between the Buyer and Seller with respect to the purchase and sale of the Property and the Development. There are no oral or written representations, warranties, terms, conditions or contracts or collateral representations, warranties, terms, conditions or contracts, expressed or implied, statutory or otherwise applicable hereto, made by the Seller, or the Seller's agents or employees, or any other person on behalf of the Seller, including, without limitation, arising out of any marketing material such as advertisements, brochures, models, floor plan layouts, show room displays, photographs, illustrations, renderings, blogs, iPads (or other tablets), websites, social media or any other electronic media including any simulated view or representation generated by a computer simulator located in the presentation centre or any other marketing material in respect of the Property or the Development (the "**Marketing Material**") other than those contained in this Agreement signed by all parties and in the Disclosure Statement.

35. **Survival.** All of the Buyer's obligations which are intended to be performed after the Completion Date will not merge on the Completion Date and will survive the completion of the sale of the Property to the Buyer as contemplated herein until they have been fully satisfied.
36. **Execution by Electronic Means.** This Agreement may be executed and delivered in counterpart and by electronic means and, if so executed and delivered, will be as effective as an originally executed contract.
37. **Electronic Delivery of Disclosure Statement.** As permitted by the *Real Estate Development Marketing Act* (British Columbia) and the *Electronic Transactions Act* (British Columbia), the Buyer agrees to receiving from the Seller a copy of the Disclosure Statement and all subsequent consolidations or amendments thereto by electronic means including by email, the Seller's or the Seller's Lawyer's website, or by a third party internet-based host-site such as dropbox. The Buyer represents to the Seller that the Buyer gave their written consent to the Seller to receive the Disclosure Statement electronically, if applicable, prior to the signature of this Agreement.
38. **Execution of Schedules.** The Buyer and Seller agree that the signature of the Buyer and Seller above will be evidence of their agreement to the terms contained in this **Schedule A, Schedule B, Schedule C, Schedule D** and any other Schedules or addenda forming part of this Agreement.

**SCHEDULE B
RIVER'S CROSSING
RITCHIE BROS. AUCTION**

1. **Bare Land Only.** The Buyer acknowledges that the Buyer is purchasing bare land only. The Property includes utility and services to the lot line of the Property, and no further improvements.
2. **Construction.** The Buyer agrees to construct the Residential Home on the Property in accordance with all applicable zoning and building bylaws and regulations, the requirements of the City of Cranbrook, the bylaws of the Strata Corporation, the statutory building scheme registered against title to the Property (the "**Statutory Building Scheme**") and the design guidelines substantially in the form attached as an Exhibit to the Disclosure Statement, as may be amended from time to time (the "**Design Guidelines**"), and any covenants registered on title to the Property.
3. **Approving Authority.** The Seller reserves the right to delegate to its affiliate, authorized agent, or assignee (the "**Approving Authority**"), the Seller's approving authority under the Building Scheme and Design Guidelines and references to the Seller's approving authority in this **Schedule B** include reference to the Approving Authority.
4. **Security Deposit.** The Buyer agrees to comply with the Building Scheme and Design Guidelines and to construct a Residential Home in accordance with the designs as represented in plans and specifications prepared by the Buyer and presented to and approved by the Seller and within the timelines required by the Building Scheme and Design Guidelines. The Buyer agrees that all requests for approval under the Design Guidelines will be accompanied by a security deposit of **\$5,000.00** (the "**Security Deposit**") which will be paid by the Buyer to the Seller on the Completion Date, if required by the Seller or as otherwise required under the Building Scheme, and if required on the Completion Date, the Security Deposit will be shown as an adjustment on the statement of adjustments, and which will be held in any event by the Seller as security to:
 - (a) ensure compliance with the Building Scheme and Design Guidelines;
 - (b) repair any damage to common property or strata lots, subdivision services or municipal services (including without limited the generality of the foregoing, sewer lines and water lines); and
 - (c) carry out any street cleaning, clean-up of common property areas or strata lots required as a result of the construction of the Residential Home.

The Security Deposit will be held by the Seller until all work, including without limitation, construction of the Residential Home, driveway, landscaping, walls/fencing and clean-up, has been completed to the Seller's satisfaction.

In the event that the Seller is not satisfied as provided above and there is further repair or cleaning required then the Seller may deduct the cost of all necessary repairs and cleaning from the Security Deposit and use such funds to make such repairs and undertake such cleaning. Any balance remaining of the Security Deposit will be returned to the Buyer within ten (10) days after completion of the proposed Residential Home, and completion of the repairs and cleaning. In the event that the Security Deposit is not sufficient to pay the cost of any such repairs or cleaning, then the Buyer will remain liable for any shortfall and such shortfall will be a debt immediately due to the Seller.

5. **Design Approval.** The Buyer agree to pay the Seller a reasonable fee or hourly rate, based on industry standard rates, for the review and processing of the Buyer's proposed plans and specifications. Such fee will, if requested, be paid in advance of any review by the Seller of the Buyer's proposed plans and specifications.

The Seller reserves the right to approve or reject a plan or design for any Residential Home as it deems necessary for the better aesthetic appearance or function of the Development or for the better application of the Building Scheme and Design Guidelines and the Buyer agrees to comply with the Seller's decision with respect to plans and specifications without the need for any compensation to the Buyer. The Buyer will not change the plans or specifications once approved unless the Seller agrees. Any cost or expense to the Seller or Approving Authority associated with any changes to the approved plans or specifications requested by the Buyer will be paid for by the Buyer.

The Buyer further agrees that the approval is not a warranty as to the fitness of the Residential Home or its compliance with applicable zoning and building bylaws and regulations, requirements of the City of Cranbrook, or covenants registered on title to the Property.

6. **Neat and Tidy Condition.** The Buyer agrees, at all times, to maintain the Property (and adjacent lands) in a neat and tidy condition. The Buyer further agrees that until a Residential Home has been constructed on the Property, the Property will not be used for the storage of any materials whatsoever, whether natural or man-made including without limitation wood, stone, gravel, earth, building materials, trailers, mobile homes, recreation vehicles or boats PROVIDED that this restriction will not prohibit the Buyer from keeping building materials, trailers or related storage facilities on the Property during construction of the Buyer's Residential Home on the Property so long as they are being used in the course of construction of such home. Should the Buyer fail to regularly maintain the Property as herein provided within seven (7) days of delivery of a request from the Seller to do so, the Seller may, at its option, cause such work to be carried out, and to deduct the costs thereof from the Buyer's construction Security Deposit and recover any shortfall.
7. **No Camping.** The Buyer acknowledges and agrees that it will not store anything on the Property, or use or occupy the Property for the purpose of camping including without limitation by way of tents, campers, trailers, or other means of overnight stay, nor will any barbeques or campfires be permitted on the Property until an occupancy permit has been issued by the City of Cranbrook for the Residential Home.
8. **Assumption Agreement.** The Buyer agrees that if the Buyer sells or transfers the Property to any other person or entity (a "Transferee") prior to the Residential Home being substantially complete in accordance with the terms provided for herein, the Buyer will deliver to the Seller an agreement in the Seller's standard form executed by the Transferee pursuant to which the Transferee agrees to be bound by and assume the Buyer's construction obligations contained herein including without limitation the obligations set out in this **Schedule B.**

**SCHEDULE C
RIVER'S CROSSING
RITCHIE BROS. AUCTION**

The Buyer acknowledges and agrees to ensure that its contractors comply with the following obligations and agrees to be responsible in the event its contractors fail to do so:

1. All builders must be covered under a New Home Warranty that is acceptable to all major banks.
2. All builders must carry at least \$2 million in liability insurance.
3. All trash must be contained on the Property and be managed so as not to be unsightly to other residents.
4. The Buyer is to provide a self-contained temporary washroom facility and not permit a person to continue working at the site who does not use the washroom facility for its intended purpose.
5. Ensure no damage to the adjacent land or landscape and make good all damage caused to adjacent property.
6. Complete all work in accordance with the approved plans and specifications.
7. All builders must maintain professional conduct and appearance so as to not be offensive to other residents, visitors, clients or golfers.
8. All construction traffic must adhere to speed limits, posted construction signage and safe operation due to heavy pedestrian traffic onsite.
9. Onsite signage must comply with rules set out by the Seller.
10. Construction must not be conducted during the hours of 10pm to 7am, and must adhere to noise bylaws.
11. All efforts should be made as to not in any way inconvenience residents, visitors, clients, or golfers. Any issues or concerns should be brought up with the Seller immediately.
12. All construction must be in accordance with the BC and Canadian Building Codes.
13. All construction must adhere to Occupational Health and Safety standards.
14. A copy of the builder's and/or contractor's Safety Procedures Manual must be submitted to the Seller for approval.
15. A WorkSafeBC Insurance Policy must be maintained throughout the construction period.
16. City of Cranbrook business license must be maintained throughout the construction period.
17. All efforts must be taken to maintain the natural lay of the land. Piles and debris may not be left behind after building completion.
18. All construction vehicles should have signage and contact information visible.
19. If required by the Seller to do so, the Buyer will cause its contractors to sign an agreement committing to the above requirements.

EXHIBIT R-2

Strata Lot # _____

Reference # _____

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**SCHEDULE D
RIVER'S CROSSING
RITCHIE BROS. AUCTION**

[attach strata plan]

EXHIBIT S-2

Shadow Mtn Home Owners Association Approved Budget for the year ending 2018

		Actuals	Approved consolidated budgets 136/153	Surplus/ Deficit	Approved budget for year ending 2018
Revenues					
	Strata EPS 136	\$121,920.00	\$122,880.00	-\$960.00	\$70,645.03
	Strata EPS 153	\$44,160.00	\$44,160.00	\$0.00	\$25,587.96
	Golf Course				\$31,150.56
	Shirley Organ				\$12,237.72
	Interest	\$65.31	\$0.00	\$65.31	
	Fines	\$200.00		\$200.00	
Sub Total Revenue		\$166,345.31	\$167,040.00	-\$694.69	\$139,621.27
Operating Expenses					
Repairs and Maintenance					
	Sewage hauling	\$68,775.00	\$73,852.00	\$5,077.00	\$60,000.00
	Storm drain clean out				\$3,500.00
	PRV maintenance		\$900.00	\$900.00	\$900.00
	Street sweeping		\$1,150.00	\$1,150.00	\$1,150.00
	Snow removal/sanding	\$20,790.00	\$14,900.00	-\$5,890.00	\$20,000.00
	Waste Removal				
	Hydrant flush		\$300.00	\$300.00	\$300.00
	Gravel road maintenance		\$1,500.00	\$1,500.00	\$3,000.00
	R&M General -incl sewage flush		\$6,854.00	\$6,854.00	\$6,854.00
Total Repairs and Maintenance		\$89,565.00	\$99,456.00	\$9,891.00	\$95,704.00
Utilities					
	Hydro	\$222.52	\$5,900.00	\$5,677.48	\$500.00
Total Utilities		\$222.52	\$5,900.00	\$5,677.48	\$500.00
Administration					
	Office Expenses, photocopies/postage	\$215.95	\$160.00	-\$55.95	\$250.00
	Bad debt				
	Insurance	\$2,053.68	\$2,500.00	\$446.32	\$3,000.00
	Insurance - appraisal	\$890.00	\$1,300.00	\$410.00	
	Finance Charges - insurance				
	Bank Charges	\$367.78	\$135.00	-\$232.78	\$800.00
	Management - Contract	\$26,367.60	\$26,600.00	\$232.40	\$26,600.00
	Insurance claim deductible				
	Council Meeting expenses				
	Permits & Licensing				
	Reserve Fund Study				
	Accounting/Professional fees	\$2,520.00	\$2,700.00	\$180.00	\$2,700.00
	Legal fees	\$0.00	\$1,750.00	\$1,750.00	\$1,750.00
Total Administration		\$32,415.01	\$35,145.00	\$2,729.99	\$35,100.00
Total Operating Expenses		\$122,202.53	\$140,501.00	\$18,298.47	\$131,304.00
Contingency Reserve Fund					\$8,317.27
Total					\$139,621.27

EPS 136	127 units	\$5,887.09	
EPS 153	46 units	\$2,132.33	
Golf Course	56 units	\$2,595.88	
Shirley Organ	22 units	\$1,019.81	
	251 Total	\$11,635.11	\$139,621.27