

Lund Townhomes

(the "Project")

OFFER TO PURCHASE and AGREEMENT OF PURCHASE AND SALE (as accepted, this "Agreement")

Strata Lot _____, Unit Number _____, Civic Address _____ 2379 Lund Road, Victoria, BC, V9B 6V5

"Seller":

ASH MOUNTAIN CONSTRUCTION LTD.
1626 Garnet Road
Victoria, BC V8P 3C8
Phone: 250-477-3327
Fax: 250-477-080

Seller's Solicitor:

Mullin DeMeo Wirk, Attention: John Mullin
1626 Garnet Road
Victoria, BC V8P 3C8
Phone: 250-477-3327
Fax: 250-477-0980

Purchaser(s):

Name: _____

Name: _____

Address: _____

Address: _____

Tel: _____

Tel: _____

Email: _____

Email: _____

RESIDENT OF CANADA: Yes___/ No
as defined under the *Income Tax Act* (Canada)

RESIDENT OF CANADA: Yes___/ No
as defined under the *Income Tax Act* (Canada)

(jointly and severally, the "**Purchaser**")

NOTE: If the Purchaser is comprised of more than one individual, each individual hereby constitutes and appoints the other or one of the others to be and act as each other's lawful agent, in order to execute the Purchaser's acknowledgement of receipt of the Disclosure Documents (as listed in Section 6 herein), the acknowledgement of receipt of a copy of the fully executed Agreement and/or for the purposes of receiving notices required or desired to be delivered by the Seller pursuant to this Agreement.

1. Offer to Purchase

The Purchaser hereby offers to purchase, and if this offer is accepted by the Seller, agrees to purchase from the Seller, proposed Strata Lot _____ (the "**Strata Lot**"), Civic Address # _____, 2379 Lund Road, Victoria, BC, V9B 6V5 (the "**Civic Address**"), as shown in the Disclosure Statement (hereafter defined) for the Project known as "**Lund Townhomes**", Victoria, BC, being the proposed strata development on the lands legally described as:

PID: 030-872-090 Lot B, Section 98, Esquimalt District, Plan EPP87454

(the "**Development**"), on the terms and conditions contained herein.

2. Purchase Price and Deposits

The purchase price of the Strata Lot is _____ dollars (\$ _____) (the "**Purchase Price**"), exclusive of Goods and Services Tax ("**GST**"), and any other federal or provincial sales, service, value added, transition, foreign buyers or other tax (as more particularly described in Schedule A hereto) which the Purchaser shall pay to the Seller by payment of:

- (a) a first deposit of \$ _____ (the “**First Deposit**” being 10% of the Purchase Price) by certified cheque, bank draft, or wire transfer within 7 days after the Acceptance Date (as defined below);
- (b) a second deposit of \$ _____ (the “**Second Deposit**” being 5% of the Purchase Price) by certified cheque, bank draft, or wire transfer within 14 days of receipt of the Amendment to Disclosure Statement confirming receipt of the building permit and financing; and
- (c) the balance of the Purchase Price (subject to any adjustments herein) on the Completion Date determined in accordance with Section 2.1 of Schedule A hereto.

The First Deposit and the Second Deposit (collectively, the “**Deposits**”) shall be payable by certified cheque, bank draft or wire transfer (as more particularly described in Schedule A hereto) to the Seller’s Solicitor **Mullin DeMeo Wirk Law Corporation (In Trust)**.

NOTE: The Seller estimates the initial amount of the Monthly Maintenance Fee for the Unit to be \$ _____.

NOTE: The Purchase Price includes the chattels and equipment as set forth in the Disclosure Statement.

NOTE: The Project and the Strata Lot are proposed and until built are subject to minor modifications as to both design and area (as more particularly described in Schedule A hereto).

3. Colour Palette

The Purchaser acknowledges and agrees that _____ will be the colour palette for the Strata Lot.

Purchaser’s Initials:

4. Consent to Receive

The Purchaser hereby consents to receive the Disclosure Statement and any Amendments thereto by email to the following email address: _____.

Purchaser’s Initials:

5. Receipt of Disclosure Statement

By executing this Agreement, the Purchaser acknowledges that, prior to the execution of this Agreement, the Purchaser has received a copy of and has been given a reasonable opportunity to read the Seller’s Disclosure Statement dated _____, and any amendments thereto filed up to the date hereof (collectively, the “**Disclosure Statement**”), and that the execution of this Agreement by the Purchaser constitutes a receipt in respect thereof.

Purchaser’s Initials:

6. 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 Agreement of Purchase and Sale or Contract to Lease by serving written notice on the Seller or Seller’s brokerage, within 7 days after the later of the date the contract was entered into or the date the purchaser or lessee received a copy of the Disclosure Statement.

A purchaser may serve a notice of rescission by delivering a signed copy of the notice in person or by registered mail to:

- (a) the Seller at the address shown in the Disclosure Statement received by the Purchaser;
- (b) the Seller at the address shown in the Purchaser’s purchase agreement;
- (c) the Seller’s brokerage, if any, at the address shown in the Disclosure Statement received by the Purchaser, or;
- (d) the Seller’s brokerage, if any, at the address shown in the Purchaser’s purchase agreement.

The Seller must promptly place the 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 Seller or the Seller’s trustee must promptly return the deposit to the Purchaser.

7. Agency Disclosure

The Purchaser has been informed and understands that the project sales representatives are employees and/or agents of the Seller and that the sales representatives are not acting on behalf of the Purchaser, and the Seller’s agents have disclosed their agency to the Seller and Purchaser. The Seller and Purchaser acknowledge and confirm as follows:

- (a) The Purchaser acknowledges having received, read and understood the Real Estate Council of British Columbia (RECBC) form entitled “Disclosure of Representation in Trading Services” and hereby confirms the Purchaser has an agency relationship with _____ (Designated Agent(s)/Realtors(s)) who is/are licensed in relation to _____ (Brokerage), or

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- (b) The Purchaser confirms they are not represented by an Agent/Realtor and acknowledges having received, read and understood the RECBC form entitled “Disclosure of Risks to Unrepresented Parties” from the project sales representatives and hereby confirms that the Purchaser has no agency relationship.

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8. Acceptance

The Purchaser’s offer contained herein is open for acceptance by the Seller until 6:00 pm PST on _____, 20____, and upon acceptance by the Seller will constitute a binding agreement of purchase and sale on the terms and conditions contained herein (this “**Agreement**”), including the terms and conditions set out in Schedule A attached hereto, which are hereby incorporated into, and form part hereof.

9. Counterpart Execution

This Offer to Purchase and Agreement may be executed and delivered in counterparts and by electronic signature, fax or e-mail transmission of signatures, which shall be binding upon the parties.

10. EXECUTED BY THE PURCHASER this ____ day of _____, 20 ____

Witness

(Purchaser 1)

Witness

(Purchaser 2)

The Seller hereby accepts the Purchaser’s offer herein on _____, 20____ (the “**Acceptance Date**”), and agrees to sell the Strata Lot to the Purchaser in accordance with the terms hereof.

ASH MOUNTAIN CONSTRUCTION LTD.
by its authorized signatory:

Per: _____

Schedule A

ADDITIONAL TERMS AND CONDITIONS

The Seller and the Purchaser agree to the following additional terms and conditions, which are incorporated into and form part of this Agreement:

1.0 The Deposits

1.1 Non-Interest Bearing Trust Account

The Purchaser's Deposits will be paid to the Seller's solicitors and placed in a non-interest bearing trust account.

1.2 Deposit Protection Contract

If, prior to the completion of the transaction herein contemplated, the Seller has complied with all of the requirements set out in Section 19 of the *Real Estate Development Marketing Act* in respect of a developer's use of deposits, as defined therein, and provided that the Seller has arranged for a deposit protection contract as contemplated by Section 19 of the *Real Estate Development Marketing Act* and as defined by the *Insurance Act*, then the Seller shall be entitled without any further authorization or consent of the Purchaser to the release to it of all or any portion of the Deposits and in such case the Purchaser does hereby irrevocably authorize and direct the Seller's solicitors to release to the Seller so much of the Deposits as requested by the Seller and is permissible at law. Notwithstanding any other provision of the Purchase Agreement, in the event that the Seller enters into a deposit protection contract as aforesaid, the Purchaser hereby authorizes the Seller's solicitors to release the Deposit to the Seller for use in construction and marketing of the Development. The Seller agrees to comply with all the terms and conditions of the *Real Estate Development Marketing Act* and regulations with respect to such deposit protection contract.

2.0 The Completion Date

2.1 Closing Notice

The Seller or its solicitor will give the Purchaser not less than 10 calendar days' written notice (the "**Closing Notice**") addressed to the Purchaser or the Purchaser's solicitor or notary (the "**Purchaser's Solicitors**"), specifying the Completion Date (the "**Completion Date**").

2.2 Permission to Occupy

The Completion Date shall be after the date that the Town of View Royal has given permission to occupy the Strata Lot. For the purposes of this section, permission to occupy the Strata Lot means the initial permission given by the Town of View Royal whether such permission is temporary, conditional or final and refers to occupation of the Strata Lot only and not to the occupation of other strata lots in the Development, or the common property in the Development.

2.3 Estimated Completion Date May be Delayed

The Closing Notice may be based on the Seller's estimate as to when the Strata Lot will be ready to be occupied. If the Strata Lot is not ready to be occupied on the Completion Date so established, then the Seller may delay the Completion Date from time to time as required, by notice of such delay to the Purchaser or the Purchaser's Solicitors, but any such delay will not exceed in the aggregate 90 days from the date specified in the Closing Notice.

2.4 Delay/ Extension Past the Outside Date

If the Seller is delayed in completing construction of the Strata Lot, depositing the strata plan for the Development, or in doing anything the Seller is required to do pursuant to this Agreement, and the delay is caused by any condition

or cause beyond the reasonable control of the Seller including, without limitation, acts or omissions by third parties not related to the Seller, strike, lockout, labour dispute, unusual geotechnical conditions, climatic condition, act of God, inability to obtain labour or materials, laws, ordinances, rules, regulations or orders of governmental authorities, enemy or hostile action, civil commotion, fire or other casualty, the impact of the current COVID-19 pandemic or other pandemic, or any other event beyond the control of the Seller, then the Completion Date shall be extended by a time equivalent to the period of such delay.

2.5 No Liability for Damages

The Seller shall not be liable for any damages due to delay in meeting the estimated Completion Date.

3.0 Title

On the Completion Date, title to the Strata Lot shall be free from all liens, charges and encumbrances except those contemplated in the Disclosure Statement, as amended from time to time, including subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other disposition from the Crown, registered or pending restrictive covenants and rights of way in favour of public utilities and public authorities, and the Seller's Financial Charges to be discharged as set out in Section 6.3 below.

4.0 Possession

4.1 Delivery of Vacant Possession

The Purchaser will have vacant possession of the Strata Lot on the business day following the Completion Date after payment of the Purchase Price in full.

4.2 No Right of Access

The Purchaser shall have no right of access to the Strata Lot until the Completion Date without being accompanied by the Seller, such access to be provided solely at the discretion of the Seller. If the Purchaser enters the Strata Lot or the Project without the Seller being present, the Purchaser shall do so at the Purchaser's sole risk. The Purchaser shall indemnify the Seller from and against any and all loss, injury, damages, claims and costs occasioned to the Seller as a consequence of such accompanied or unaccompanied entry (including without limitation where arising through injury or loss to a guest or invitee of the Purchaser).

4.3 Inspection Certificate

Under no circumstances will possession be given to the Purchaser until and unless the inspection/completion certificate and the Warranty Commencement Date Certificate is completed, signed and delivered by the Purchaser to the Seller.

4.4 Ongoing Developer Marketing

The Purchaser acknowledges that the Seller may retain strata lots in the Development for use as display suites for marketing or other purposes. The Purchaser will permit and, to the extent that the Purchaser is able so to do, will cause the strata corporation for the Development to permit the Seller to install signs and other marketing materials on the common property to market the strata lots and to carry out promotions on the common property. The Purchaser consents to the use of the common property and the display suites for marketing the strata lots and shall not revoke the Purchaser's consent for so long as the Seller is the owner of any strata lots in the Development.

5.0 Adjustments

5.1 Adjustment Date

The Purchaser will assume all taxes, strata fees, rates, assessments and other charges from and including the Completion Date and all adjustments will be made as of the Completion Date.

5.2 Property Tax Allocation

If the amount of any such taxes, rates or assessments have been levied in respect of a parcel greater than the Strata Lot, the portion thereof which shall be allocated to the Strata Lot will be determined by pro-rating the total amount among all strata lots in the Development on a pro rata basis according to unit entitlement numbers.

5.3 Property Taxes Prior to Any Exemption

Property taxes will be adjusted based on the existing or estimated property taxes without regard to any property tax exemption which may be available in future years.

6.0 Closing Procedure

6.1 Purchaser Closing Deliveries

The Purchaser's Solicitors will prepare and deliver to the Seller's solicitors at least 5 days prior to the Completion Date, a Transfer and Statement of Adjustments, in accordance with the information and directions provided by the Seller's solicitors. The Seller will not be required to execute or deliver any other agreements, transfer documents, certificates or statutory declarations.

6.2 Seller Deliveries and Closing Undertakings

Following the receipt thereof, the Seller will execute and deliver the Transfer and the Statement of Adjustments to the Purchaser's Solicitors on the condition that either:

- (a) the Purchaser's Solicitors holds in their trust account the balance due and owing to the Seller, and undertakes to pay the balance due and owing to the Seller on the Completion Date forthwith upon receipt of a post-registration index search in accordance with this Agreement, or return the Transfer unregistered; or
- (b) if the Purchaser is relying upon a new institutional mortgage to finance a portion of the Purchase Price, the Purchaser's Solicitors holds in their trust account that portion of the Purchase Price not secured by the new mortgage, the Purchaser has fulfilled all of the new mortgagee's conditions for funding except for the lodging of the new mortgage for registration in the Land Title Office, and the Purchaser's Solicitors has undertaken to pay the balance of the adjusted Purchase Price on the Completion Date upon the lodging of the Transfer and the new mortgage in the Land Title Office and the advance of the mortgage proceeds.

Payment by the Purchaser's Solicitors shall be by way of a solicitor's or notary public's certified trust cheque or bank draft.

6.3 Discharge of Seller Financing

The Purchaser agrees that the transfer of title to the Strata Lot may be subject to various financial encumbrances (collectively, the "**Seller's Financial Charges**") relating to the Seller's financing provided that the Seller's solicitors undertake to:

- (a) pay to the Seller's lender (the "**Seller's Lender**") under the Seller's Financial Charges the amount required to obtain partial discharges of the Seller's Financial Charges from title to the Strata Lot;
- (b) take reasonable steps to obtain such partial discharges; and
- (c) upon receipt, to file the partial discharges in the Land Title Office within a reasonable time after the Completion Date, and to advise the Purchaser's Solicitors of registration particulars of such partial discharge when available. The parties agree that the foregoing undertakings relating to the partial discharge of the Seller's Financial Charges shall be the only undertakings with respect thereto.

6.4 Purchaser Closing Costs

The Purchaser will pay all costs in connection with the sale and purchase of the Strata Lot (including property transfer tax, additional property transfer tax on the sale of the residential properties to foreign buyers and any GST, or any other federal and provincial sales, harmonized sales, service, value added, transition or other tax required to be paid by the Purchaser in connection with the purchase and sale of the Strata Lot and the equipment and appliances included with the Strata Lot), other than the costs of the Seller incurred in clearing title to the Strata Lot. The Purchaser agrees that the Purchase Price does not include any applicable taxes, including GST, or any other federal or provincial sales, harmonized sales, service, value added, transition or other tax that may be applicable to the sale of the Strata Lot hereunder whether levied against the Purchaser or the Seller, all of which will be payable by the Purchaser on the Completion Date in addition to the Purchase Price.

7.0 Risk

The Strata Lot will be at the Seller's risk until 12:01 a.m. on the Completion Date and thereafter at the Purchaser's risk, and in the event of material loss or damage to the same occurring before such time by reason of tempest, lightning, earthquake, flood or other Act of God, fire or explosion, which is not repaired prior to the Completion Date, either party may, at its option, cancel this Agreement and in such event the Purchaser shall be entitled to the return of any moneys paid hereunder, and in such event neither the Seller nor the Purchaser shall have any further obligations or liability whatsoever hereunder, and all other remedies and claims of the Purchaser in the event of such loss or damage are hereby waived.

8.0 Inspection

8.1 Inspection and Deficiency List

The Purchaser, or a representative, and the Seller, or a representative, shall inspect the Strata Lot at a reasonable time within business hours, designated by the Seller prior to the Completion Date. At the conclusion of such inspection, a conclusive list of any defects or deficiencies shall be prepared. The parties or their representatives shall sign the list and the Purchaser shall be deemed to have accepted the physical condition of the Strata Lot subject only to the listed corrections. The Purchaser acknowledges and agrees that neither the Purchaser nor the Purchaser's representatives, agents or assigns will be allowed access to the Strata Lot for any other purpose prior to the Completion Date, except with the express written authorization of the Seller.

8.2 Purchaser Failure to Inspect

If the Purchaser fails to inspect the Strata Lot as required, or fails to sign the list of defects and deficiencies, or if there is any dispute as to defects or deficiencies, the architect for the Development (the "**Architect**") shall settle the list of defects and deficiencies or the matter in dispute, it being agreed that such determination by the Architect shall be binding upon the parties and need not occur prior to the Completion Date. In the event of a dispute as to defects or deficiencies, the Seller and Purchaser will share the cost of the Architect equally. In the event that the Purchaser fails to inspect the Strata Lot as required, or fails to sign the list of defects and deficiencies, then the Purchaser will solely pay for the cost of the Architect.

8.3 Seller to Remedy Deficiencies

The Seller will remedy the defects or deficiencies noted on the list, or as settled by the Architect, as soon as reasonably possible after the Completion Date to the satisfaction of the Architect, and the parties agree that notwithstanding the existence of any defects or deficiencies on the Completion Date, such shall not permit the Purchaser to elect not to complete the purchase of the Strata Lot and there shall be no deficiency holdback in respect of any defects or deficiencies which may exist on the Completion Date.

9.0 Assignment

Without the Seller's prior consent, any assignment of a purchase agreement is prohibited.

An assignment under the *Real Estate Development Marketing Act* is a transfer of some or all of the rights, obligations and benefits under a purchase agreement made in respect of a strata lot in a development property, whether the transfer is made by the purchaser under the purchase agreement to another person or is a subsequent transfer.

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

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

- (a) the party's identity;
- (b) the party's contact and business information;
- (c) the terms of the assignment agreement.

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

In addition to the foregoing, the Purchaser 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 the foregoing and all of the following: (a) the Assignment must occur on or before a date that is at sixty (60) days prior to the Completion Date; (b) the Purchaser 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 Purchaser 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 Purchaser named herein.

9.1 Restriction on Sale

Until the Completion Date, the Purchaser agrees not to advertise the Strata Lot for sale by any means whatsoever, including without limitation by displaying signs within the Strata Lot or the Project, by using the internet, by using the Multiple Listing Service or any similar service, or by listing the Strata Lot for sale with any individual or in any newspaper or other publication. The Purchaser authorizes the Seller to remove any advertising prohibited by this clause. The Purchaser agrees that damages are not a sufficient remedy for breach of this clause, and agrees to the granting of injunctive relief in favour of the Seller in the event the Purchaser breaches this clause.

10.0 Time of the Essence

10.1 Remedies

Time shall be of the essence of this Agreement, and if:

- (a) the Deposits are not paid in accordance with this Agreement;
- (b) the balance of the Purchase Price is not paid in full in accordance with this Agreement; or
- (c) the Purchaser is otherwise in default hereunder; the Seller may, at its option:

- (i) terminate this Agreement and in such event the Deposits previously paid (subject to the deductions provided for in Section 1.2 above) shall be absolutely forfeited to the Seller as the minimum amount of damages the parties agree the Seller is expected to suffer as a result of termination, and not as a penalty, without prejudice to the Seller's other remedies, including the right to recover any of the Deposits required to have been paid but which the Purchaser failed to pay, and additional damages; or
- (ii) elect to extend the Completion Date, in which event the Purchaser will pay to the Seller, in addition to the Purchase Price, interest on the full Purchase Price at 4% per annum above the annual rate of interest designated by the Seller's principal financial institution as its "prime rate" for Canadian dollar commercial loans payable on demand, calculated daily from the date upon which such portion was due until it is paid, provided that the adjustment date pursuant to Section 5.1 shall remain the original Completion Date.

If the Purchaser's default continues beyond the extended date for completion established pursuant to Subsection (ii), the Seller may thereafter elect to terminate this Agreement pursuant to Subsection (i), or to permit a further extension pursuant to Subsection (ii), as the case may be, at the Seller's sole option.

10.2 Purchaser Repudiation

In the event that the Purchaser or the Purchaser's Solicitor indicates or expresses to the Seller, on or before the Completion Date, that the Purchaser is unable or unwilling to complete the sale, the Seller is relieved of any obligation to make any formal tender upon the Purchaser or the Purchaser's Solicitor.

10.3 Default by Seller

If the purchase and sale of the Strata Lot contemplated by this Agreement is not completed by reason of the Seller's default, the Deposits shall be repaid to the Purchaser as the Purchaser's sole remedy, and thereafter, neither party shall have any further obligation to the other under this Agreement.

11.0 Development

11.1 Purchaser Acknowledgments

The Purchaser acknowledges:

- (a) that this Agreement shall remain in full force and effect notwithstanding that the building plans and specifications (including without limitation features, design, materials, layout, location, dimensions, size, and number of windows, doors, common property, limited common property and common facilities) may be varied by the Seller, as deemed desirable and reasonable in the sole opinion of the Seller and/or the Architect, or as may be required by any authorities having jurisdiction in respect thereof between the date of this Agreement and the Completion Date, and that in any such event the Purchaser shall have absolutely no claim or cause of action against the Seller;
- (b) that the Purchaser is aware that the square footage area of the Strata Lot is approximate and that as built dimensions, lot lines and location of the Strata Lot may differ from those shown on Exhibit A to the Disclosure Statement;
- (c) that the Purchaser agrees that should certain materials be discontinued, unavailable or not be available to the Seller for installation in time for the Seller's scheduled installation date, the Seller reserves the right to select substitute materials of equal or better grade, at the Seller's discretion;
- (d) that it is purchasing a residential strata lot which comprises the interior of the dwelling unit which is being constructed substantially in accordance with the plans and specifications of the Architect;

- (f) due to the natural variation of colour and texture in the wood, stone and dye lots of the tile, carpet and other components of the Strata Lot, and the fact that the colour of natural products (especially wood) will change over time, the finishes of the wood, quartz, tile, stone, carpet and other components of the Strata Lot may differ from the colour and textures shown in any display unit or any samples provided to or viewed by the Purchaser. In addition, even within the Strata Lot, the textures, colours and finishes may vary for the same reasons. These variations are inherent characteristics which cannot be fully controlled, and the Seller does not guarantee an exact match;
- (g) any display suite or presentation centre of the Seller are representative of the general finishing and design style of particular unrelated suite components intended for the Development only. Actual design, specifications, materials, finishing, features, room dimensions, room configurations and layouts may vary; and
- (h) images and view representations, including any display centre mockups, and in the marketing materials, including brochures, renderings and scale models, advertising and websites for the Development are not actual and are intended only to convey the general character of the neighbourhood in which the Development will be situate and the general view outlooks that may be available from various locations within the completed Development. View representations cannot be relied upon to be representative of actual views available from any perspective within the completed Development, and interior representations cannot be relied upon to be representative of actual dimensions or areas available within the completed Development.

11.2 Change to Address/Strata Lot Number

The address and/or Strata Lot number are subject to change at the Seller's sole discretion.

13.0 Lien Holdback

13.1 Lien Holdback in Trust

That portion, if any, of the Purchase Price required by law to be held back by the Purchaser in respect of builders lien claims (the "**Lien Holdback**") shall be paid to the Seller's solicitors on the Completion Date, to be held in trust pursuant to the *Strata Property Act* and the *Builders Lien Act* of British Columbia (or successor statutes) solely on account of claims of builders liens registered against title to the Strata Lot prior to the expiration of the applicable lien holdback period in respect of work done or materials supplied at the request of the Seller.

13.2 Payout

The Seller's solicitors are authorized to invest the Lien Holdback in an interest bearing trust account and to pay to the Seller on the earlier of:

- (a) the 56th day after the Completion Date; or
- (b) the date on which the time for filing a claim of lien under the *Builders Lien Act* expires and the Seller's solicitors have not received notice of filed builders lien claims against the Strata Lot of which the Purchaser or the Purchaser's Solicitors notifies the Seller's solicitors in writing by 2:00 p.m. on that date. If notice of such filed claims is so received, the Lien Holdback and any interest earned thereon shall be applied firstly to discharge such liens with the balance payable to the Seller. The Purchaser hereby authorizes the Seller to bring any legal proceedings required to clear title to the Strata Lot of any lien claims filed with respect thereto including payment of funds into court.

14.0 Chattels

The Purchase Price includes the chattels noted on Page 2 of this Agreement.

15.0 Budget Estimates

The Purchaser is aware that the monthly strata corporation assessment as set out in the Disclosure Statement is an estimate only. The estimated budgets and strata fees have been prepared using the best information and projected costs currently available. The Purchaser acknowledges that there may be increases in both the budgets and strata maintenance fees in the event of unanticipated increases in expenses, or charges which are beyond the control of the Seller, and that GST will be applicable to certain components of the budgets and strata fees.

16.0 GST

The Purchase Price excludes GST. The Purchaser is responsible to pay the GST in addition to the Purchase Price to the Seller on the Completion Date and the Seller is responsible to remit the Goods and Services Tax to Canada Revenue Agency.

17.0 Marketing Materials

The Purchaser acknowledges that the Seller may include images or photographs of the Development, the Strata Lot and the improvements thereon in its promotional and marketing materials, including signage, for this Development and for other developments undertaken by entities related to the Seller, and the Purchaser acknowledges and agrees not to object to any use of such images or photographs for promotional or marketing purposes.

18.0 Post Completion Building Envelope Inspections

The Purchaser acknowledges that the Seller may enter into, or to cause the Strata Corporation to enter into an initial Building Envelope Inspection Agreement with a Building Envelope Consultant (the “**Consultant**”), pursuant to which the Consultant will conduct periodic inspections of the building envelope for the purpose of monitoring its performance, for the benefit of the Strata Corporation and its New Home Warranty obligations. The Purchaser covenants and agrees with the Seller not to oppose this periodic inspection by the Consultant in any way.

19.0 Personal Information

The Purchaser hereby consents to the collection, use and disclosure of personal information contained in this Agreement and any Addendum hereto and otherwise collected by or on behalf of the Seller and its agents, affiliates and service providers for the following purposes:

- (a) to obtain financing for the Seller and to enable the Seller to complete the transactions contemplated herein, including providing the Seller’s solicitors with all information related to this Agreement, and to carry out and complete the sale of the Strata Lot to the Purchaser;
- (b) to facilitate the completion of the Development including the provision of services and utilities, insurance and warranty coverage;
- (c) to facilitate the management of the Development, including transferring management of the Development to a strata corporation manager;
- (b) for reporting purposes to any trade or professional associations governing the Seller or any investigative body having authority over the Seller to the extent such information is required to be reported to such association or body;
- (e) to market, sell, provide, and inform the Purchaser of products and services of the Seller and its affiliates and partners, including information about future projects; and
- (f) to disclose such personal information to the Seller’s affiliates, business partners, bankers, lawyers,

accountants and other advisors and consultants in furtherance of any of the foregoing purposes, including financial statements, tax returns and GST returns.

20.0 General

20.1 Contractual Rights Only

The Purchaser agrees that this Agreement creates contractual rights only, and does not create an interest in land, and no interest may be registered by the Purchaser at the Land Title Office against the title to the Strata Lot prior to the Completion Date.

20.2 Currency

All money shall be paid in Canadian funds.

20.3 Seller Residency

The Seller is not a non-resident of Canada.

20.4 Notice to the Purchaser

Any notice to be given to the Purchaser, including any amendment to the Disclosure Statement, will be sufficiently given if mailed by prepaid registered mail, or delivered by hand or transmitted by facsimile or e-mail transmission to the Purchaser at the address or numbers or email address set out on Page 2 of this Agreement or to the Purchaser's Solicitors. The Purchaser may at any time change its address or facsimile number or email address set out on Page 1 of this Agreement by giving written notice to the Seller in accordance herewith. Any notice so given to the Purchaser shall be deemed to have been received by the Purchaser on the date on which it was delivered in person, or, if transmitted by facsimile or electronic transmission, on the date it was transmitted, or if sent by registered mail on the fifth business day thereafter. If the Purchaser is comprised of more than one person, notice given to any one of the persons comprising the Purchaser shall be deemed to have been received by all persons comprising the Purchaser.

20.5 Change of Address

The Purchaser covenants and agrees to promptly notify the Seller in writing of any change in the Purchaser's address, e-mail address, phone number and/or fax number.

20.6 Entire Agreement

This Agreement is the entire agreement between the parties and there are no representations, warranties, conditions or collateral agreements, express or implied, whether made by the Seller, any agent, employee or representative of the Seller or any other person including, without limitation, arising out of any marketing material including sales brochures, models, representative view sets, show room displays, photographs, illustrations or renderings provided to the Purchaser or made available of his/her viewing, other than those contained herein or in the Disclosure Statement. No modification of this Agreement shall be valid unless made in writing and signed by the parties hereto.

20.7 Survival

All representations, covenants, agreements and consents contained herein shall survive the completion of the transactions contemplated herein and shall not be merged in any document delivered pursuant to this Agreement.

20.8 Governing Law

This Agreement shall be governed and construed in accordance with the laws of British Columbia. The Purchaser

irrevocably agrees to attorn to the jurisdiction of British Columbia in respect of all matters pertaining to or connected with this Agreement or the Strata Lot.

20.9 Joint and Several Obligations

If the Purchaser is comprised of more than one person, all obligations of the Purchaser will be joint and several.

20.10 Addendums

Any Addendum to this Agreement if completed, initialled and/or signed by the Purchaser and Seller forms a part of this Agreement.

BINDING EFFECT – This Agreement shall be binding upon the Seller and the Purchaser and their respective heirs, executors, administrators, successors and assigns.

Signed:

ASH MOUNTAIN CONSTRUCTION LTD.

by its authorized signatory:

Per: _____

Authorized Signatory

Witness

Purchaser Name

Purchaser Signature

Purchaser Name

Witness

**ADDENDUM NO. 1
OFFER TO PURCHASE and AGREEMENT OF PURCHASE AND SALE**

Date: _____

Re: Proposed Strata Lot _____, (the “**Strata Lot**”), Unit Number # _____ as shown in the Disclosure Statement for the project known as the “**Lund Townhomes**” being developed on the lands legally described as:

PID: 030-872-090 Lot B, Section 98, Esquimalt District, Plan EPP87454 (the “**Development**”).

Further to the Agreement of Purchase and Sale (the “**Agreement**”) dated _____, 20____ made between ASH MOUNTAIN CONSTRUCTION LTD. (the “**Seller**”) and _____ (the “**Purchaser**”) with respect to the Strata Lot, the undersigned hereby agree as follows:

This Addendum forms a part of and is subject to the terms and conditions set out in the Agreement. Any capitalized term used in this Addendum that is neither defined herein nor a proper noun has the meaning given to that term in the Agreement. The Agreement, as amended by this Addendum, remains in full force and effect, and all terms and conditions in the Agreement remain the same, except to the extent expressly amended by this Addendum.

Signed:

ASH MOUNTAIN CONSTRUCTION LTD.
by its authorized signatory:

Per: _____

Authorized Signatory

Witness

Purchaser Name

Purchaser Signature

Witness

Purchaser Name

Purchaser Signature

**ADDENDUM NO. 2
BUILDING PERMIT RIGHTS OF RESCISSION**

Date: _____

Re: Proposed Strata Lot _____, (the “**Strata Lot**”), Unit Number # _____ as shown in the Disclosure Statement for the project known as the “**Lund Townhomes**” being developed on the lands legally described as:

PID: 030-872-090 Lot B, Section 98, Esquimalt District, Plan EPP87454 (the “**Development**”).

Further to the Agreement of Purchase and Sale (the “**Agreement**”) dated _____, 20____ made between ASH MOUNTAIN CONSTRUCTION LTD. (the “**Seller**”) and _____ (the “**Purchaser**”) with respect to the Strata Lot, the undersigned hereby agree as follows:

REAL ESTATE DEVELOPMENT MARKETING ACT RESCISSION RIGHTS

Building Permit

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

ASH MOUNTAIN CONSTRUCTION LTD.

by its authorized signatory:

Per:

Authorized Signatory

Purchaser Name

Purchaser Signature

Purchaser Name

Purchaser Signature

Signed:

Witness

Witness