DATED: , 2017

## ,

as owner, and

as developer

- and -

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| --- |
| **PURCHASE AND SALE AGREEMENT** |
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**PURCHASE AND SALE AGREEMENT**

**THIS AGREEMENT** is made as of the day of , 2017, B E T W E E N:

## (the “Developer”)

(collectively, the “**Vendor**”)

- and -

(the “**Purchaser**”)

**WHEREAS** the Owner is the legal and beneficial owner of the Lands.

**WHEREAS** the Owner and the Developer have formed a joint venture pursuant to the Joint Venture Agreement to develop the Lands, which development shall include the strata subdivision of the Lands and construction of the Complex.

**WHEREAS** the Vendor has agreed to sell, and the Purchaser has agreed to purchase the Premises forming part of the future Complex on the terms and subject to the conditions set out in this Agreement.

**NOW THEREFORE**, in consideration of the sum of Ten Dollars ($10.00) now paid by each party to the other and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties agree as follows:

## ARTICLE 1 INTERPRETATION

**1.1 Definitions**

The terms defined herein shall have, for all purposes of this Agreement, the following meanings, unless the context expressly or by necessary implication otherwise requires:

**“Adjustments”** means the adjustments to the Purchase Price provided for and determined pursuant to Section 3.4.

**“Affiliate”** means any corporation or other entity that is, directly or indirectly, wholly owned by a party hereto or a corporation or entity sharing common control with a party hereto.

**“Agreement”** means this agreement of purchase and sale, together with all Schedules hereto, as amended from time to time in accordance with the terms hereof; “hereof”,

“hereto” and “hereunder” and similar expressions refer to this Agreement and not to any particular section of this Agreement; “Article”, “Section” and “Schedule” mean and refer to the specified article, section or Schedule of or to this Agreement.

“**Applicable Laws**” means all applicable building regulations, statutes, enactments, laws and bylaws of all federal, provincial and municipal or other governmental bodies or authorities having jurisdiction and all permits, approvals.

**“Balance”** has the meaning given to it in Section 3.1(1)(c).

**“BCH”** means the Crown corporation commonly known as BC Housing (British Columbia Housing Management Commission), the Provincial Rental Housing Corporation, or an Affiliate thereof.

**“Business Day”** means any day other than a Saturday, Sunday or statutory holiday in the Province of British Columbia.

**“City”** means the City of.

**“Claims”** means all past, present and future claims, suits, proceedings, liabilities, obligations, losses, damages, penalties, judgments, costs, expenses, fines, disbursements, legal fees on a substantial indemnity basis and other professional fees and disbursements, interest, demands and actions of any nature or any kind whatsoever.

**“Closing”** means the closing of the Transaction, including the satisfaction of the Purchase Price and the delivery of the Closing Documents on the Closing Date.

**“Closing Date”** means the day that is the later of ten (10) Business Days following the Construction Completion Date or 90 days after the Vendor has given the Purchaser notice of an estimated closing date.

**“Closing Documents”** means the agreements, instruments and other documents to be delivered by the Vendor to the Purchaser pursuant to Section 6.1 and the agreements, instruments and other documents to be delivered by the Purchaser to the Vendor pursuant to Section 6.2.

**“Complex”** means the new complex to be constructed on the Lands pursuant to the Joint Venture Agreement and in accordance with the Premises and Complex Design Plans.

**“Construction Completion Date”** means the date on which construction of the Complex is completed and an occupancy permit or permits are issued by the City for the Premises;

**“Deposit”** has the meaning given to it in Section 3.2(2).

**“Encumbrance”** means any pledge, lien, charge, security agreement, security interest, lease, sublease, title retention agreement, mortgage, encumbrance, easement, right-of- way, restrictive covenant, encroachment, work order, option or adverse claim of any kind or character whatsoever.

**“Execution Date”** means the date upon which this Agreement is executed and delivered by both of the parties hereto.

**“Final Purchase Price”** has the meaning given to it in Section 3.3(3).

**“First Condition Date”** means the date that the Vendor receives notification from BCH that BCH shall grant a pre-construction loan and invest in the residential component of the Complex in order to proceed with development of the Lands and the Complex.

**“First Deposit”** has the meaning given to it in Section 3.1(1)(a).

**“Governmental Authority”** means any government, regulatory authority, government department, agency, utility, commission, board, tribunal or court having jurisdiction on behalf of any nation, province or state or other subdivision thereof or any municipality, district or other subdivision thereof.

**“GST”** means the good and services tax payable pursuant to the *Excise Tax Act*

(Canada).

**“including”** means including without limitation.

**“Joint Venture Agreement”** means the joint venture agreement dated for

reference August , 2016.

**“Lands”** means the lands and premises described in Schedule A attached hereto. “**Material Defect**" means any defect that renders any part of the Premises or the

common areas of the Complex unfit for habitation, dangerous for occupation or results in any part of the Premises not being in compliance with any Applicable Laws.

**“Mortgage”** has the meaning given to it in Section 3.2(3). **“Notice of Offer”** has the meaning given to it in Section 9.1(2)(b) **“Offer”** has the meaning given to it in Section 9.1(2)(a). **“Offeror”** has the meaning given to it in Section 9.1(2)(a).

**“Permitted Encumbrances”** means the Encumbrances listed in Schedule B attached hereto.

**“Person”** is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity.

**“Premises”** means that stratified portion of the ground floor and second floor of the Complex with an approximate area of 22,500 square feet and the **[39]** parking stalls designated as limited common property and allocated for the exclusive use of the Premises, all as depicted on the reduced plan to be attached hereto as Schedule C.

**“Premises and Complex Design Plans”** means those plans and specifications setting out the base building specifications of the Complex and the Premises and listed in Schedule D attached hereto.

**“Proportionate Share”** means a fraction which has as its numerator the area of the Premises, and as its denominator, the area of the Complex.

**“Purchase Price”** means $ or such revised amount as arrived at under Section 3.3, exclusive of any applicable taxes.

**“Purchaser’s Conditions”** means those subject conditions contained in Section

5.2 for the benefit of the Purchaser.

**“Purchaser’s Solicitors”** means or such other firm or firms of solicitors or agents as are retained by the Purchaser from time to time and written notice of which is provided to the Vendor.

**“Revised Purchase Price”** has the meaning given to it in Section 3.3(2). “**SAUC**” means.

“**SAUC Areas**” has the meaning given to it in Section 7.1(4)(a).

**“Second Condition Date”** means the date on which the Vendor receives notice of the City’s approval of the third reading of the rezoning application for the Lands.

**“Second Deposit”** has the meaning given to it in Section 3.1(1)(b).

**“Short Form ROFR**” has the meaning given to it in Section 9.2.

**“Space Sharing Agreement”** has the meaning given to it in Section 5.2(d). “**Survival Period**” has the meaning given to it in Section 4.3.

**“Third Condition Date”** means the date that the City issues the building permit or permits necessary for construction of the Complex.

**“Transaction”** means the transaction of purchase and sale of the Premises contemplated by this Agreement.

**“Vendor’s Conditions”** means those subject conditions contained in Section 5.1 for the benefit of the Vendor.

**“Vendor’s Solicitors”** means or such other firm or firms of solicitors or agents as are retained by the Vendor from time to time and written notice of which is provided to the Purchaser.

**“Warranties”** means any existing warranties and guarantees in favour of the Vendor in connection with any improvements made to the Buildings.

## Schedules

The following schedules attached hereto form part of this Agreement: Schedule A - Lands

Schedule B - Permitted Encumbrances

Schedule C - Plan of Premises

Schedule D - Premises and Complex Design Plans Schedule E - Residential Units MOU

## Interpretation

* + 1. Headings and Table of Contents. The division of this Agreement into Articles and Sections, the insertion of headings, and the provision of any table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
		2. Number and Gender. Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders.
		3. Entire Agreement. This Agreement and all of the Schedules to this Agreement, together with any agreements, instruments, certificates and other documents contemplated to be executed and delivered pursuant to this Agreement, constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and, except as stated in this Agreement and any of the Schedules to this Agreement and in the agreements, instruments, certificates and other documents to be executed and delivered pursuant to this Agreement, contains all of the representations, undertakings and agreements of the parties. This Agreement supersedes all prior negotiations or agreements between the parties, whether written or verbal, with respect to the subject matter of this Agreement.
		4. Currency. All references to money shall refer to Canadian funds.
		5. Severability. If any provision contained in this Agreement or its application to any Person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such provision to Persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected, and each provision of this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.
		6. Statute References. Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time.
		7. Time. Time shall be of the essence in all respects of this Agreement. Except as expressly set out in this Agreement, the computation of any period of time referred to in this Agreement shall exclude the first day and include the last day of such period. The time limited for performing or completing any matter under this Agreement may be extended or abridged by an agreement in writing by the parties or by their respective solicitors. Where anything is required to be done under this Agreement on a day that is not a Business Day, then the time for such thing to be done shall be the next following Business Day.
		8. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
		9. Accounting Principles. All references to generally accepted accounting principles shall be references to the principles recommended from time to time in the CPA Canada Handbook - Accounting, and all accounting terms not otherwise defined in this Agreement shall have the meanings given to them in accordance with Canadian generally accepted accounting principles.

## ARTICLE 2

**AGREEMENT OF PURCHASE AND SALE**

* 1. **Purchase and Sale of Premises**

The Vendor hereby agrees to sell the Premises to the Purchaser and the Purchaser hereby agrees to purchase the Premises from the Vendor, free and clear of all Encumbrances, except the Permitted Encumbrances, on the terms and subject to the conditions set out in this Agreement.

## Acknowledgments of the Purchaser

The Purchaser acknowledges and agrees that, subject to the representations and warranties of the Vendor contained in Section 4.1 and in the Closing Documents:

* + 1. on Closing, title to the Lands and the Premises shall be free and clear of all Encumbrances, except the Permitted Encumbrances;
		2. save and except for the representations and warranties of the Vendor expressly stated in this Agreement, in entering into this Agreement, the Purchaser has relied and shall continue to rely entirely and solely upon its own inspections and investigations with respect to the Premises, including the physical and environmental condition of the Lands and the review of the documentation made available to the Purchaser pursuant to this Agreement, and the Purchaser acknowledges it is not relying on any additional information furnished by the Vendor or any other Person on behalf of or at the direction of the Vendor in connection therewith; and
		3. the Vendor shall have no obligation or responsibility to the Purchaser after Closing with respect to any matter relating to the Lands or the condition thereof, except as otherwise expressly provided in this Agreement.

This Section 2.2 shall survive Closing and the Purchaser shall deliver to the Vendor on Closing an acknowledgement with respect to the matters set out in this Section 2.2.

## ARTICLE 3 PURCHASE PRICE

* 1. **Purchase Price**
		1. Payment of Purchase Price. The Purchase Price shall be satisfied by the Purchaser as follows:
			1. as to the sum of $ (the **“First Deposit”**), by certified cheque or wire transfer of immediately available funds to the Purchaser’s Solicitors, in trust, within two (2) Business Days following the Execution Date, to be

held in an interest-bearing trust account as a deposit for the benefit of the Purchaser pending the satisfaction or waiver of all Vendor’s Conditions and Purchaser’s Conditions (other than those to be satisfied as of the Closing Date), and following the satisfaction or waiver of such conditions, to be utilized in accordance with the provisions of Section 3.2 and to be credited on the Closing Date on account of the Purchase Price;

* + - 1. as to the sum of $ (the **“Second Deposit”**), by certified cheque or wire transfer of immediately available funds, to the Purchaser’s Solicitors, in trust, within ten (10) Business Days following the satisfaction or waiver of all Vendor’s Conditions and Purchaser’s Conditions (other than those to be satisfied as of the Closing Date), to be held in an interest-bearing trust account as a deposit for the benefit of the Purchaser and to be utilized in accordance with the provisions of Section
	1. and to be credited on the Closing Date on account of the Purchase Price; and
		+ 1. as to the balance (the **“Balance”**) of the Purchase Price on Closing, subject to the Adjustments, by certified cheque drawn from the trust account of the Purchaser’s Solicitors or by wire transfer of immediately available funds, to the Vendor’s Solicitors, in trust, in accordance with Section 6.4 and Section 6.5.

## Deposit

* + 1. The Purchaser’s Solicitors shall only pay out the Deposit in accordance with the express provisions of section 3.2(2), 3.2(4) and 3.2(5) of this Agreement and the Purchaser’s Solicitors shall otherwise hold those funds as stakeholder in accordance with section 28(2) of the B.C. Real Estate Services Act.
		2. Use of Deposit as Working Capital. Following satisfaction or waiver of the Vendor’s Conditions and Purchaser’s Conditions, and upon request from the Vendor, the Purchaser will authorize the Purchaser’s Solicitors to advance the First Deposit and the Second Deposit (collectively, the **“Deposit”**) to the Vendor prior to the first advance of any Construction Loan (as defined in Section 3.2(3) below) for the purpose of providing working capital for the construction of the Complex. The Deposit will be advanced in separate tranches to the Vendor in amounts as determined by the Vendor, acting reasonably, and subject to the Purchaser’s right to dispute the amount to be advanced, also acting reasonably (each a “**Draw**”). Prior to the advance of each Draw, the Vendor will send written notice to the Purchaser specifying the amount of the Draw. Upon receipt of such notice, the Purchaser will authorize the Purchaser’s Solicitors to advance the stated amount of the Draw.
		3. Security for Amounts Advanced. The Deposit shall be treated as an interest-free loan to the Vendor and secured by way of a mortgage (the “**Mortgage**”) registered against title to the Lands which Mortgage shall be prepared by the Purchaser’s Solicitors and have a principal amount equal to the Deposit, a term commencing on the date the Second Deposit is paid to the Vendor and ending on the Construction Completion Date and thereafter shall be payable on demand, and otherwise contain commercially reasonable terms and be in a form acceptable to the parties hereto acting reasonably. The Mortgage will rank pari passu with any other security granted in the Lands, but the

Purchaser agrees to subordinate the Mortgage to any loans or construction loans granted by the Vendor required for pre-construction expenses and to commence construction of the Complex and the Premises (the “**Construction Loan**”) on terms required by the construction lenders including enforcement standstill provisions if required by such lenders.

* + 1. Application at Closing. The Deposit and interest accrued thereon shall be credited against the Purchase Price on Closing.
		2. Application upon Default. If the Transaction is not completed for any reason other than the default of the Purchaser, the Deposit (or such portion of the Deposit as has been delivered) and all interest accrued thereon shall be returned to the Purchaser forthwith or repaid pursuant to the terms of the Mortgage, as applicable, in full settlement of all claims by the Purchaser against the Vendor. If the Transaction contemplated by this Agreement is not completed as a result of the default of the Purchaser, the Vendor shall be entitled to retain such portion of the Deposit as has been delivered and to be paid the remainder of the Deposit held by the Purchaser’s Solicitors. For greater certainty, the retention or payment of any funds to the Vendor pursuant to this Section 3.2(5) shall be strictly on account of damages, and shall not be deemed to be all inclusive liquidated damages nor preclude any further claims or remedies by the Vendor against the Purchaser. The Vendor agrees that, in the event of the default of the Purchaser, it will take steps to mitigate its damages. To the extent that the amount of the Deposit retained by or paid to the Vendor under this Section 3.2(5) is equal to or greater than the debt obligation secured by the Mortgage, such debt shall be deemed satisfied and the Purchaser agrees to provide the Vendor with an executed discharge of the Mortgage in registrable form upon demand. The Vendor’s Solicitors are hereby authorized and directed to pay the Deposit (or such portion of the Deposit as has been delivered) in the manner contemplated by this Section 3.2(5).

## Purchase Price Revisions

* + 1. Purchase Price Estimated. The parties acknowledge that the Purchase Price set out in this Agreement as of the Execution Date is calculated on the basis of $ per square foot, and is an estimate based on the Vendor’s initial land valuations and development cost estimates for the Complex.
		2. Initial Purchase Price Revision. The Vendor shall provide the Purchaser with a revised purchase price (the “**Revised Purchase Price**”) within thirty (30) days of the Second Condition Date to reflect the then estimated development costs of the Complex and the Purchaser shall provide notice to the Vendor as to whether it accepts the Revised Purchase Price in accordance with Section 5.2.
		3. Final Purchase Price. The Vendor shall provide the Purchaser with a final purchase price (the “**Final Purchase Price**”) within ninety (90) days of the Third Condition Date to reflect the then estimated development costs of the Complex and the Purchaser shall provide notice to the Vendor as to whether it accepts the Final Purchase Price in accordance with Section 5.2. Upon notice of acceptance of the Final Purchase Price or deemed acceptance pursuant to Section 5.2, the parties agree to execute a written addendum to this Agreement to amend the definition of “Purchase Price” herein to reflect the Final Purchase Price.

## General Adjustments

* + 1. Adjustments. Subject to those items referred to in Section 3.4(3), the Adjustments shall include all realty taxes, local improvement rates and charges pertaining to the Lands and the Purchaser shall be responsible for its Proportionate Share. In addition, the Adjustments shall include the other matters referred to in this Agreement which are stated to be the subject of adjustment and shall exclude the other matters in this Agreement which are stated not to be the subject of adjustment.
		2. Adjustment Date. Adjustments shall be made as of the Closing Date on an accrual basis. From and after the Closing Date, the Purchaser shall be responsible for all expenses and shall be entitled to all income from the Lands. The Vendor shall be responsible for all expenses and entitled to all income from the Lands for the period ending on the day prior to the Closing Date.
		3. Estimated Adjustments. If any item subject to adjustment cannot be determined on Closing, an estimate shall be made by the Vendor for the purposes of Closing and a final adjustment shall be made when the particular item can be determined. All claims for re-adjustments must be made on or before the date that is one (1) year following the Closing Date. After the expiry of such period, no further claim for adjustments shall be made by the parties except for adjustments resulting from tax appeals settled after the expiry of such periods.
		4. Statement of Adjustments. A statement of adjustments shall be delivered to the Purchaser by the Vendor at least five (5) Business Days prior to the Closing Date and shall have annexed to it complete details of the calculations used by the Vendor to arrive at all debits and credits on the statement of adjustments. On request, the Vendor shall give the Purchaser access to the Vendor’s working papers and backup materials in order to confirm the statement of adjustments.
		5. Insurance. Insurance premiums shall not be adjusted as of the Closing Date, but insurance shall remain the responsibility of the Vendor until the Closing Date, and thereafter the Purchaser shall be responsible for placing its own insurance, as necessary.
		6. Survival. This Section 3.4 shall survive Closing.

## ARTICLE 4 REPRESENTATIONS AND WARRANTIES

* 1. **Vendor’s Representations**

The Owner hereby represents and warrants to and in favour of the Purchaser that, as of the Execution Date:

* + 1. it is a society existing under the laws of British Columbia and has the necessary corporate power, authority and capacity to own the Lands and to enter into this Agreement and to carry out the Transaction on the terms and subject to the conditions set out in this Agreement;
		2. the execution and delivery of this Agreement and the completion of the Transaction contemplated by this Agreement have been duly authorized by all requisite corporate proceedings on its part;
		3. it is not a non-resident of Canada within the meaning of Section 116 of the

*Income Tax Act* (Canada);

* + 1. the Owner is the sole beneficial owner of the Lands and has not encumbered its beneficial interest except for Permitted Encumbrances;
		2. to the knowledge of the Owner, there are no current ongoing actions, suits or proceedings affecting the Owner which affect the Lands or the occupancy or use of the Lands by the Owner, or prevent the Owner from fulfilling in any respect its obligations pursuant to this Agreement.

The Developer hereby represents and warrants to and in favour of the Purchaser that, as of the Execution Date:

* + 1. it is a society existing under the laws of British Columbia and has the necessary corporate power, authority and capacity to enter into this Agreement and to carry out the Transaction on the terms and subject to the conditions set out in this Agreement;
		2. the execution and delivery of this Agreement and the completion of the Transaction contemplated by this Agreement have been duly authorized by all requisite corporate proceedings on its part;
		3. it has the necessary expertise and resources to co-ordinate, carry out, supervise and direct the redevelopment of the Lands and construction of the Complex in accordance with the provisions of this Agreement.
		4. it is not a non-resident of Canada within the meaning of Section 116 of the

*Income Tax Act* (Canada); and

* + 1. to the knowledge of the Developer, there are no current ongoing actions, suits or proceedings affecting the Developer which affect the Lands or the occupancy or use of the Lands by the Developer, or prevent the Developer from fulfilling in any respect its obligations pursuant to this Agreement.

The Vendor hereby jointly and severally represents and warrants to and in favour of the Purchaser that:

* + 1. the Vendor has not received any written notice of any proceeding with respect to expropriation of the Lands or any part thereof;
		2. except as permitted by this Agreement, the Lands are not subject to any restrictions or restrictive covenants other than those currently registered on title to the Lands;
		3. no municipal, provincial or other competent authority has made any order or other provision respecting the use or occupation of any part of the Lands, other than as contained in municipal by-laws of general application and the Vendor has received no notice from any such authority directing any alteration, repair, improvement or other work to be done or performed to or in respect of the Complex, the Lands or any part thereof
		4. on the Closing Date, the Complex will be:
			1. built in compliance with this Agreement, the approved Premises and Complex Design Plans, all Applicable Laws, and all Encumbrances issued or granted in connection with the rezoning or development of the Lands or the Complex;
			2. structurally sound and in a good state of repair, free of any Material Defects and any defects in the roof, walls or foundations or in the electrical, mechanical, heating, air conditioning, plumbing or other systems; and
			3. located wholly within the boundaries of the Lands and the location and existence of the Complex will not infringe the provisions of any easement, right of way or other Encumbrance registered against, or otherwise affecting, the Lands and Complex and no improvements on any adjoining lands, whether public or private, will encroach on the Lands;
			4. free from any urea formaldehyde foam type insulation, asbestos, PCB's, lead, radioactive materials, or gasoline or petroleum product storage tanks;
		5. to the knowledge of the Vendor, the Lands contain no environmental contaminants, and no hazardous or toxic materials, substances, pollutants, contaminants or waste have been released into the environment from, or deposited, discharged, placed, stored or disposed of at, on or near the Lands, nor have the Lands been used at any time by any person as a landfill or waste disposal site;
		6. all environmental reports in the possession or control of the Vendor, relating to any portion of the Lands have been provided to the Purchaser;
		7. except as expressly contemplated by this Agreement, there are no agreements, other than those currently registered on title to the Lands, relating to the maintenance or operation of the Lands and Complex which cannot by their terms be terminated without penalty as of the Closing Date;
		8. the Vendor has not received written notice of any administrative or judicial judgments, orders or decrees that relate to violations of environmental law with respect to the Lands or to the release, discharge, emission or disposal of hazardous materials on, to, from or under the Lands; and
		9. the Vendor has not knowingly withheld any facts relating to the Lands which would be material to an intending buyer thereof.

## Purchaser’s Representations

The Purchaser hereby represents and warrants to and in favour of the Vendor that, as of the Execution Date:

* + 1. the Purchaser is a society existing under the laws of British Columbia and has the necessary corporate power, authority and capacity to enter into this Agreement and to carry out the Transaction on the terms and subject to the conditions set out in this Agreement; and
		2. the execution and delivery of this Agreement and the completion of the Transaction have been duly authorized by all requisite corporate proceedings on the part of the Purchaser.

## Survival

The representations, warranties and certifications of the Vendor and the Purchaser contained in this Agreement and in any Closing Documents shall not merge on Closing but shall survive for a period of twelve (12) months following the Closing Date (the **“Survival Period”**). The party which has received a representation, warranty or certification, contained in this Agreement or in any Closing Documents, shall give written notice to the other party of each breach of any representation, warranty or certification of the other party, together with details thereof, promptly after becoming aware of such breach and no later than the end of the Survival Period. Notwithstanding any other provision of this Agreement or of any Closing Document, no Claim may be asserted or pursued against any party hereto, or any action, suit or other proceedings commenced or pursued, for or in respect of any breach of any representation, warranty or certification made by such party in this Agreement unless written notice of such Claim is received by such party describing in detail the facts and circumstances with respect to the subject matter of such claim on or prior to the last day of the Survival Period. If written notice of any Claim for a breach of representation, warranty or certification under this Agreement or in any Closing Documents is not made prior to the expiry of the Survival Period, all rights to make any such Claim shall terminate and the parties hereto shall be forever released and discharged from any and all obligations and liabilities hereunder.

## Knowledge

The terms “knowledge of the Owner” and “knowledge of the Developer” and similar phrases shall mean the actual knowledge of an individual who is a senior officer of the relevant party executing this Agreement or a certificate relating thereto, after making due enquiry of the relevant entity making such representation or warranty but without having made any third party enquiries.

## ARTICLE 5 CONDITIONS

* 1. **Vendor’s Conditions**

The obligation of the Vendor to complete the Transaction shall be subject to the following conditions:

* + 1. within thirty (30) Business Days of the First Condition Date, the Vendor finding the proposed terms for financing of the BCH pre-construction loan commercially feasible;
		2. within thirty (30) Business Days of the Second Condition Date, the Vendor finding the conditions for rezoning and development of the

Complex, as approved by the City at the third reading of the rezoning application for the Lands, commercially feasible;

* + 1. within ninety (90) Business Days of the Third Condition Date, the Vendor finding the draft commitment letter for any necessary construction loan and the final tender price for completing the construction of the Complex commercially feasible;
		2. on the Closing Date, all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser shall have been complied with or performed in all material respects; and
		3. on the Closing Date, the representations and warranties of the Purchaser set out in Section 4.2 shall be true and accurate in all material respects, and the Purchaser shall have delivered to the Vendor a certificate of the Purchaser dated the Closing Date as contemplated by Section 6.2(d).

The conditions set out in this Section 5.1 are for the benefit of the Vendor and may be waived in whole or in part by the Vendor, in its sole discretion, by written notice to the Purchaser on or before the applicable date.

## Purchaser’s Conditions

The obligation of the Purchaser to complete the Transaction shall be subject to the following conditions:

* + 1. within twenty (20) Business Days of the Purchaser receiving written notice of the Revised Purchase Price, the Purchaser being satisfied with the Vendor’s proposed terms for the interior fit-out of the Premises and the availability of the Vendor’s contractors to perform and manage the work required to complete the interior fit-out of the Premises, on terms and at a cost acceptable to the Purchaser, acting reasonably;
		2. within twenty (20) Business Days of the Purchaser receiving written notice of the Revised Purchase Price, the Purchaser being satisfied that the permitted uses and configuration of the Premises and the Complex, as approved by the City at the third reading of the rezoning application for the Lands, are materially the same as those originally submitted as part of the rezoning application;
		3. within twenty (20) Business Days of the Purchaser receiving written notice of the Revised Purchase Price, the Purchaser being satisfied with the Revised Purchase Price;
		4. within twenty (20) Business Days of the Purchaser receiving written notice of the Revised Purchase Price, the Purchaser and the St. Andrew’s United Church entering into a space sharing agreement (the “**Space Sharing Agreement**”) in respect the Premises, on terms acceptable to both parties;
		5. the Purchaser having received notice of the Final Purchase Price by the earlier of ninety (90) days after the Third Condition Date or December 31,

2019, and if the Final Purchase Price is greater than 105% of the Revised Purchase Price, the Purchaser notifying the Vendor within twenty (20) Business Days of the Purchaser receiving such written notice that the Purchaser is satisfied with the Final Purchase Price;

* + 1. on the Closing Date, all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Vendor shall have been complied with or performed in all material respects; and
		2. on the Closing Date, the representations and warranties of the Vendor set out in Section 4.1 shall be true and accurate in all material respects, and the Vendor shall have delivered to the Purchaser certificates dated the Closing Date as contemplated by Sections 6.1(f) and 6.1(g).

The conditions set out in this Section 5.2 are for the benefit of the Purchaser and may be waived in whole or in part by the Purchaser, in its sole discretion, by written notice to the Vendor on or before the applicable date. For greater clarity, the condition set out in Section 5.2(e) shall only be applicable if the Final Purchase Price is greater than 105% of the Revised Purchase Price and such condition shall be deemed satisfied if the Final Purchase Price is equal to or less than 105% of the Revised Purchase Price.

## Non-Satisfaction of Conditions

1. Vendor’s Conditions. If each of the Vendor’s Conditions is not satisfied or waived as therein provided on or before the applicable date referred to therein, then such conditions shall be deemed not to have been satisfied or waived, in which case this Agreement shall be terminated, provided that such termination shall be without prejudice to any right or remedy the Vendor may have under this Agreement.
2. Purchaser’s Conditions. If each of the Purchaser’s Conditions is not satisfied or waived as therein provided on or before the applicable date referred to therein, then such conditions shall be deemed not to have been satisfied or waived, in which case this Agreement shall be terminated, provided that such termination shall be without prejudice to any right or remedy the Purchaser may have under this Agreement. Upon such termination, the Deposit (or such portion of the Deposit as has been delivered) shall be returned to the Purchaser or repaid pursuant to the terms of the Mortgage, as applicable.

## ARTICLE 6 CLOSING DOCUMENTS

* 1. **Vendor’s Closing Documents**

On or before Closing, subject to the provisions of this Agreement, the Vendor shall execute or cause to be executed and shall deliver or cause to be delivered to the Purchaser the following:

* + 1. a registrable transfer for the Premises from the Owner to the Purchaser;
		2. any assignment and assumption agreements and other documentation in respect of any Permitted Encumbrances which are specifically required in connection with the transfer of the Premises;
		3. a direction regarding payment of the Balance;
		4. a statement of adjustments, to be delivered at least five (5) Business Days before Closing;
		5. an undertaking by the Vendor to re-adjust the Adjustments, including any items inadvertently omitted from the statement of adjustments;
		6. a certificate of the Owner certifying that:
			1. it is not a non-resident within the meaning of Section 116 of the *Income Tax Act* (Canada) and is receiving the Purchase Price on Closing on its own account and not as agent or trustee or nominee for any other Person; and
			2. its representations and warranties contained in Section 4.1 are true and accurate as of the Closing Date in all material respects;
		7. a certificate of the Developer certifying that its representations and warranties contained in Section 4.1 are true and accurate as of the Closing Date in all material respects;
		8. all keys to the Premises, to the extent within the Vendor’s possession or control;
		9. copies of all applicable strata bylaws and rules;
		10. discharge of all encumbrances affecting the Premises other than Permitted Encumbrances; and
		11. such other documents which are required and which the Purchaser has reasonably requested on or before the Closing Date or required pursuant to the *Strata Property Act* (British Columbia) to give effect to the Transaction.

All documentation shall be in form and substance acceptable to the Purchaser and the Vendor, each acting reasonably and in good faith, provided that none of the Closing Documents shall contain covenants, representations or warranties which are in addition to or more onerous upon either the Vendor or the Purchaser than those expressly set out in this Agreement.

## Purchaser’s Closing Documents

On or before Closing, subject to the provisions of this Agreement, the Purchaser shall prepare and execute or cause to be executed and shall deliver or cause to be delivered to the Vendor the following:

* + 1. the Balance in accordance with Section 3.1(1)(c);
		2. an undertaking by the Purchaser to re-adjust the Adjustments, including any items inadvertently omitted from the statement of adjustments;
		3. any assumption agreements and other documentation in respect of any Permitted Encumbrances which specifically apply to or are specifically required in connection with the development of the Premises;
		4. a certificate of the Purchaser certifying that the representations and warranties of the Purchaser contained in Section 4.2 are true and accurate as of the Closing Date in all material respects;
		5. an acknowledgment of the Purchaser with respect to the matters set out in section 2.2; and
		6. such other documents which are required and which the Vendor has reasonably requested on or before the Closing Date or required pursuant to the *Strata Property Act* (British Columbia) to give effect to the Transaction.

All documentation shall be in form and substance acceptable to the Purchaser and the Vendor, each acting reasonably and in good faith, provided that none of the Closing Documents shall contain covenants, representations or warranties which are in addition to or more onerous upon either the Vendor or the Purchaser than those expressly set out in this Agreement.

## Registration and Other Costs

(1) General. The Vendor and the Purchaser shall each be responsible for the costs of their respective solicitors. The Purchaser shall be responsible for the land transfer tax, if any, and registration fees payable in connection with the registration of the transfer referred to in Section 6.1(a), if applicable. The Vendor shall be responsible for registration fees payable in connection with the registration of discharges of any Encumbrances that are not Permitted Encumbrances.

## Closing Mechanism

1. Payment in Trust. On or before the Closing Date the Purchaser shall pay to the Purchaser’s Solicitors in trust the Balance, or if part of the Purchase Price is to be provided from mortgage funds, the Purchaser will deliver to its solicitors a bank draft or certified cheque for the Balance less the mortgage funds.
2. Registration. Forthwith following the payment in Section 6.4(1) and after receipt by the Purchaser’s Solicitors of the documents and items referred to in Section 6.1 and receipt by the Vendor’s Solicitors of the documents and items referred to in Section 6.2 in a form acceptable to the parties, the Purchaser shall be entitled to proceed with registration in the Land Title Office of any transfer instrument referred to in Section 6.1, any new Notice of Interest being registered by the Purchaser and any charges granted by the Purchaser.
3. Closing. Forthwith following the filing referred to in Section 6.4(2) and upon the Purchaser’s Solicitors being satisfied as to the Purchaser’s title to the Premises after conducting a post filing for registration check of the property index disclosing only the following:
	1. the existing title number to the Premises;
	2. Permitted Encumbrances;
	3. the existing financing to be discharged by the Vendor, if applicable; and
	4. pending numbers assigned to any new Notice of Interest or financing being registered by the Purchaser,

the Purchaser shall cause the Purchaser’s Solicitors to wire transfer (or transmit through other reasonable means specified by the Vendor’s Solicitors in writing) to the Vendor’s Solicitors the Balance, as adjusted pursuant to Section 3.3, and to release the items referred to in Section 6.2 to the Vendor and concurrently therewith the Deposit shall be deemed released to the Vendor notwithstanding that the Deposit may have been used by the Vendor prior to such release. If the Balance is not received by the Vendor (or as it may direct) by 3:00 p.m. (Vancouver time) on the Closing Date, the Purchaser shall pay to the Vendor interest at the rate of three percent (3%) per annum on the Balance until such time as the Balance is received by the Vendor (or as it may direct) on a Business Day prior to 3:00 p.m. (Vancouver time).

1. Concurrent Requirements. It is a condition of this Agreement that all requirements of this Section 6.4 are concurrent requirements and it is specifically agreed that Closing shall not be completed on the Closing Date until everything required to be paid, executed and delivered on the Closing Date has been so paid, executed and delivered and until the Purchaser’s Solicitors have satisfied themselves as to the title pursuant to Section 6.4(3).

## Clearing Title

If the Vendor has existing financial charges to be cleared from title, the Vendor, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Vendor agrees that the payment of the Purchase Price shall be made by the Purchaser’s Solicitor to the Vendor’s Solicitor on the Canadian Bar Association (BC Branch) (Real Property Section) Standard Undertakings to pay out and discharge the financial charges, and remit the balance, if any to the Vendor.

## ARTICLE 7 CONSTRUCTION AND DESIGN OF COMPLEX

* 1. **Consultation on Complex Design**
		1. The Vendor shall consult with the Purchaser on the exterior design of the Complex, specifically prior to the Vendor submitting the necessary rezoning application to the City and preparing the plans and drawings necessary to obtain a building permit in advance of the Third Condition Date. In particular, the Purchaser shall have input on design considerations pertaining to signage for the Complex as a whole and the exterior of the Premises, but for clarity, the Vendor shall retain ultimate control of the design of the Complex and shall not be obligated to implement design requests from the Purchaser or any other Person. The Purchaser acknowledges that the Vendor is only obligated to provide the Premises to the Purchaser in base building form in accordance with the Premises and Complex Design Plans, and the Vendor shall prepare and modify the Premises and Complex Design Plans pursuant to this Section and attach the final

Premises and Complex Design Plans to this Agreement as Schedule D on or before the Third Condition Date. The Purchaser will have full control of the interior design, and fit- out of the Premises, subject to the approval of the Vendor, acting reasonably.

* + 1. The Vendor will keep the Purchaser informed of the progress of the rezoning application and the construction of the Complex, and will provide to the Purchaser in advance of execution copies of any Encumbrances or other agreements that may be required as a condition of the rezoning application or development approvals in respect of the Complex.
		2. The Vendor will submit to the Purchaser for its approval, not to be unreasonably withheld or delayed, any Encumbrance which may have a material adverse effect on:
			1. access to and from the Premises;
			2. the configuration of the Premises;
			3. the Purchaser’s intended use of the Premises;
			4. the interior design or fit-out of the Premises;
			5. the Purchaser’s parking entitlements under this Agreement.
		3. The Vendor will consult with Purchaser on any Encumbrance which may have a material adverse effect on:
			1. access to and from the areas of the Complex that will be subject to the Space Sharing Agreement (the “**SAUC Areas**”), or the common areas of the Complex; or
			2. the configuration of the SAUC Areas.

## Construction of the Complex

* + 1. The Vendor will construct the Complex in a good and workmanlike manner, in accordance with the approved Premises and Complex Design Plans and in compliance with all Applicable Laws and Permitted Encumbrances.
		2. Any variances from the approved Premises and Complex Design Plans which may have a material adverse effect on those matters listed in Section 7.1(3)(a) to 7.1(3)(e), shall be submitted to the Purchaser for its approval, which approval will not be unreasonably withheld; following such approval, such variances shall form part of the approved Premises and Complex Design Plans. For greater certainty, the Premises shall be constructed to a “shell” standard in accordance with the approved Premises and Complex Design Plans.
		3. Any variances from the approved Premises and Complex Design Plans which may have a material adverse effect on:
			1. access to and from the SAUC Areas;
			2. the Purchaser’s intended use of the SAUC Areas; or
			3. the number of rooms available, the total size of the rooms, or the relative size of the rooms, or the availability of a kitchen in the SAUC Areas,

shall be submitted to the Purchaser for its approval, which approval will not be unreasonably withheld; following such approval, such variances shall form part of the approved Premises and Complex Design Plans.

* + 1. Following Closing, all Warranties will remain in the name of the Vendor (or either one of them, as the case may be) and will not be assigned to the Purchaser in respect of the Premises, but the Vendor shall remain obligated to pursue, and at the request of the Purchaser will diligently pursue, any claims, actions or remedies which may exist or accrue under the Warranties, in order that the Purchaser may enjoy the benefit of all covenants, representations and warranties in respect of the Warranties as if it were a party thereto.

## Inspection by the Purchaser

* + 1. The Vendor will cooperate with the Purchaser’s reasonable investigation of the Lands and monitoring of the construction of the Premises and the Complex from time to time, whether by the Purchaser or its consultants, and will provide information relating to the Lands and Complex which the Purchaser reasonably requests from time to time. The Vendor will provide the Purchaser and any of its consultants or advisors with access to the Lands for the purpose of conducting all necessary inspections on not less than 24 hours prior written notice during reasonable hours, and subject always to the Purchaser’s compliance with Applicable Laws, government approvals and the Vendor’s health and safety requirements during the construction of the Complex.
		2. As soon as it becomes available, the Vendor will deliver a certificate to the Purchaser from the Vendor's architect certifying that the Complex has been substantially completed (the "**Substantial Completion Certificate**") and setting out the date of substantial completion. No later than 5 Business Days following receipt by the Purchaser of the Substantial Completion Certificate, the Purchaser and its representatives will be permitted to enter and inspect the Premises and the common areas of the Complex. The Purchaser will have 5 Business Days following the date of its inspection to notify the Vendor of any deficiencies in the Premises or the common areas of the Complex. If the Purchaser fails to notify the Vendor within such 5 Business Day period, the Substantial Completion Certificate will be deemed to be accepted by the Purchaser, along with the existing condition of the Premises, subject only to latent defects as covered by the construction warranties that apply to the Premises upon construction thereof.
		3. The Vendor will remedy any deficiencies identified by the Purchaser with due diligence and within 15 Business Days following the receipt of notice from the Purchaser under Section 7.3(2) or, if any deficiency cannot be remedied within 15 Business Days for any reason (except due to delays caused by or within the control of the Vendor), within such reasonable period of time as the Vendor and Purchaser may agree, provided that Vendor will proceed to diligently and continuously remedy the deficiency. If the Vendor fails to remedy such deficiencies within the timelines set out herein, the Purchaser will have the option (but not the obligation), to remedy the deficiencies at the sole cost and expense of the Vendor, and offset any costs incurred by the Purchaser against the Purchase Price.

## Delivery of Documents, Bylaws to Purchaser

* + 1. The Vendor will deliver to the Purchaser any reports, studies, assessments or documents in its possession or which it may obtain prior to Closing relating to the condition of the Lands (including without limitation any environmental inspections that may have been conducted in connection with the Lands), or which contain information which may materially affect the Purchaser’s intended use of the Premises, or any of the matters listed in Section 7.1(3)(a) to 7.1(3)(e).
		2. The Vendor will submit the proposed strata plan and strata bylaws to the Purchaser in advance for approval, not to be unreasonably withheld. For greater certainty, the strata bylaws will not restrict the Purchaser’s right to lease or licence the Premises (or portions thereof) to third parties.
		3. The Vendor will consult with the Purchaser on the terms of any property management contract to be entered into by the Developer which is intended to bind the strata corporation, and the Vendor will limit the initial term of such property management agreement to one (1) year.

## ARTICLE 8

**USE OF PROPERTY UNTIL CLOSING**

* 1. **Operation Before Closing**

From the Execution Date until the Third Condition Date, the Vendor shall operate and maintain the Lands in accordance with its usual business and management practices as would a prudent owner and from and after the Third Condition Date until the Closing Date, the Vendor shall carry out construction of the Complex in a diligent manner as would a prudent developer.

## Damage Before Closing

The interest of the Vendor in the Lands and the Complex shall be at the risk of the Vendor until Closing. If any loss or damage occurs to the Premises before Closing which loss or damage materially affects the Purchaser’s ability to occupy and use the Premises as determined by the Vendor, acting reasonably, the Closing Date shall be extended accordingly by written notice provided by the Vendor to the Purchaser to permit the Vendor to repair and rebuild the Premises in accordance with the Premises and Complex Design Plans, and the Vendor will carry out such repairs in a diligent manner.

## ARTICLE 9

**RIGHT OF FIRST AND SECOND REFUSAL**

* 1. **Right of First and Second Refusal**
		1. For the purposes of this Section 9.1:
			1. “ROFR Holder” means:
				1. in respect of spaces owned by SAUC, the Purchaser;
				2. in respect of spaces owned by SAUC, the Developer;
				3. in respect of spaces owned by the Developer, SAUC; and
				4. in respect of the Premises, SAUC.
			2. “ROSR Holder” means:
				1. in respect of spaces owned by SAUC, the Developer;
				2. in respect of spaces owned by SAUC, the Purchaser;
				3. in respect of spaces owned by the Developer, the Purchaser; and
				4. in respect of the Premises, the Developer.
		2. The Owner, the Developer and the Purchaser agree that after Closing a party may only sell, transfer or dispose of its interest in the Complex (or any part thereof) (“**Interest**”), if:
			1. it has received and accepted a bona fide arm’s length offer to purchase (the “**Offer**”) from another Person (the “**Offeror**”) which Offer:
				1. is not made conditional upon any other matter other than compliance with this section (or if originally conditional on another matter, in respect of which all other conditions have been acknowledged to have been satisfied or waived);
				2. is irrevocable within the time given for acceptance;
				3. is unassignable;
				4. contains the Offeror’s warranty that it is acting as principal (or as agent for a disclosed principal);
				5. provides for payment in cash payable within ninety (90) days of the acceptance of the Offer or the date the Offer, if originally conditional, becomes unconditional;
				6. provides for no other consideration; and
				7. is not part of or connected with another agreement or transaction, tacit or otherwise; and
			2. the party receiving the Offer (the “**Recipient**”) has given to the other parties (the “**Other Owners**”), within ten (10) days of the receipt of the Offer, a written notice (the “**Notice of Offer**”) enclosing a copy of the Offer and statutory declarations of a senior officer of the Recipient that the only consideration is cash and the Offer is not part of or made in

connection with any other agreement or transaction, tacit or otherwise, and providing reasonable information about the Offeror including its financial condition, the identity and residence of the Offeror and each of the beneficial owners of its shares (except in the case of a corporation the shares of which are listed on any recognized stock exchange in Canada or the United States) and of all of its and their directors and officers to the extent the Offeror has replied to an enquiry by the Recipient which the Recipient shall have made and otherwise to the extent of the Recipient’s knowledge.

* + - 1. The Other Owners may, at any time within thirty (30) days of receipt of the Notice of Offer, by written notice to the Recipient elect to purchase the Interest of the Recipient, the acquisition to be on the terms set out in the Offer, except that the completion of the sale and payment of the purchase price will be forty five (45) days after delivery of the notice of election. If both the ROFR Holder and the ROSR Holder elect to purchase, then the right to purchase of the ROFR Holder will take priority over the right of the ROSR Holder.
			2. If nether the ROFR Holder or the ROSR Holder give a notice of election to purchase within the time periods stipulated herein, then the Recipient may dispose of the Interest on the terms and conditions of the Offer, but not otherwise.
			3. If the sale is not fully completed ten (10) days after the expiration of the aforesaid ninety (90) day period, then the Recipient shall not proceed with the sale of the Interest without again complying with the provision of this Agreement.
			4. If a Recipient wishes to transfer its Interest to an Affiliate, the ROFR Holder and ROSR Holder agree to execute a written waiver of their respective rights of first refusal evidenced by the Short Form ROFR or any other instrument required by the Land Title Office to permit the transfer of the Premises contemplated by this Section 9.1(f).

This Section shall survive Closing and remain in effect until such time as the Short Form ROFR is discharged from title to the Premises.

## Registration on Title

The Purchaser, the Owner and the Developer agree to each execute and deliver a short form right of first refusal (the “**Short Form ROFR**”) to reflect the rights of the parties and the procedures set out in Section 9.1 and to be registered against title to each party’s respective Interest in the Complex at Closing. Such short form instrument shall contain only the minimum terms necessary to permit registration and evidence the Other Owners’ rights. The parties agree that the Short Form R0FR will give priority to financial charges registered against title and that they will sign the agreements necessary to give priority to subsequent financial charges.

## Purchaser’s Right to Residential Units

After Closing, the Purchaser will have the right with to rent up to five (5) residential units within the Complex in accordance with the terms of the Memorandum of Understanding made between the Purchaser and the Vendor and attached hereto as Schedule “E”.

## ARTICLE 10 DISPUTES

In the case of any dispute arising between the Owner, the Developer and the Purchaser as to their respective rights and obligations under this Agreement, the parties will work together to facilitate the early, voluntary and informal settlement of the dispute in an amicable manner in accordance with the intent of this Agreement.

In the event that a mutually agreeable resolution is not reached within ten (10) days, or such time as agreed to by both parties, the dispute will be referred to a committee comprised of the President of the Developer, the Executive Secretary of the Owner and the Executive Director of the Purchaser, who will work to resolve the dispute. Either party may invite its legal counsel to participate in the resolution of the dispute.

If a resolution still cannot be reached within a reasonable period of time, the dispute will be referred to the British Columbia International Commercial Arbitration Centre (“**BCICAC**”) for commercial mediation, pursuant to its rules. In the event the commercial mediation process is unsuccessful, the BCICAC will appoint an arbitrator. The decision of any arbitrator shall be final and binding upon the parties, including any decision of the arbitrator with respect to the costs of arbitration. The place of arbitration shall be Vancouver, British Columbia.

## ARTICLE 11 GENERAL

* 1. **Obligations as Covenants**

Each agreement and obligation of the parties contained in this Agreement, even though not expressed as a covenant, shall be considered for all purposes to be a covenant.

## Amendment of Agreement

Subject to Section 11.5, no supplement, modification or amendment of this Agreement shall be binding unless executed in writing by the parties hereto in the same manner as the execution of this Agreement.

## Further Assurances

Each of the parties hereto shall from time to time hereafter and upon any reasonable request of the other party, execute and deliver, make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Agreement.

## Waiver

No waiver of any default, breach or non-compliance under this Agreement shall be effective unless in writing and signed by the party to be bound by the waiver or its solicitor. No waiver shall be inferred from or implied by any failure to act or delay in acting by a party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other party. The waiver by a party of any default, breach or non-compliance under this Agreement shall not operate as a waiver of that party’s rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).

## Solicitors as Agents

Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Purchaser’s Solicitors on behalf of the Purchaser and by the Vendor’s Solicitors on behalf of the Vendor and any tender of Closing Documents and the Balance may be made upon the Vendor’s Solicitors and the Purchaser’s Solicitors, as the case may be.

## Merger

Except as otherwise expressly set out in this Agreement, this Agreement shall merge with the closing of the Transaction. Except as otherwise expressly provided in this Agreement, no representations, warranties, covenants or agreements of either the Vendor or the Purchaser shall survive Closing. This provision shall survive Closing.

## Successors and Assigns

All of the covenants and agreements contained in this Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns and shall enure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns pursuant to the terms and conditions of this Agreement.

## Assignment

The Purchaser shall be entitled, on written notice to the Vendor at any time prior to the Closing Date, to assign this Agreement, and all of the Purchaser’s rights and obligations hereunder:

* + 1. without the prior consent of the Vendor, to an Affiliate.

Subject to the aforesaid rights of the Purchaser to make an assignment pursuant to this Section, the Purchaser shall not assign or transfer any of its rights or obligations under this Agreement or any interest therein, without the prior written consent of the Vendor, which consent may be withheld in its sole and absolute discretion.

Notwithstanding any such assignment, the Purchaser shall remain liable in respect of all of its representations, warranties, covenants and obligations hereunder.

## Notices

1. Addresses for Notice. All notices required or provided for herein shall be in writing, and delivered personally or by courier delivery. Subject to change by a notice from the party to be charged with such notice, notices shall be addressed to the parties at their respective addresses as set forth below:
	1. in the case of the Vendor addressed to it at:

Attention: Executive Secretary

Attention: President

* 1. and in the case of the Purchaser addressed to it at:

Attention: Executive Director

1. Receipt of Notice. Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of receipt if delivered or sent by courier service, provided that such day in either event is a Business Day and the communication is so delivered or sent prior to 5:00 p.m. (Vancouver time) on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.

## No Registration of Agreement

The Purchaser covenants and agrees not to register this Agreement or any notice of this Agreement against title to the Lands.

## Commissions

The parties represent and warrant that they have not retained any broker or real estate agent in connection with the Transaction. This Section shall survive Closing.

## Public Announcements

Each of the Vendor and the Purchaser shall keep confidential, and shall not issue any press release or make any other public statement pertaining to, the existence of this Agreement or the subject matter of the Transaction without the prior written consent of the other party, provided that each party shall be entitled to make such disclosure as it in good faith determines to be required by law, provided further that such party shall provide prior written notice of such required disclosure to the other party.

## Counterparts

This Agreement may be executed in counterpart and transmitted by email and the reproduction of any signature in counterpart and by email shall be treated as though such reproduction was an executed original signature. Each party undertakes to provide the other with a copy of this Agreement bearing original signatures within a reasonable time following the Execution Date.

## [SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the Execution Date.

by its authorized signatories:

Name:

Name:

## SOCIETY by its

authorized signatories:

Name:

Name:

by its authorized signatories:

Name:

Name:

# SCHEDULE A

## LANDS

Parcel Identifier:

**.**

**SCHEDULE B**

**PERMITTED ENCUMBRANCES**

**A. GENERAL PERMITTED ENCUMBRANCES**

1. Encumbrances for real property taxes (which term includes charges, rates and assessments) or charges for electricity, power, gas, water and other services and municipal utilities in connection with the Lands that have accrued but are not yet due and owing or, if due and owing, are adjusted for in favour of the Purchaser;
2. Minor title defects, irregularities, unregistered easements or other discrepancies in title or possession relating to the Lands that do not materially impair the use or operation of the Lands;
3. The provisions of applicable laws, including by-laws, regulations, airport zoning regulations, ordinances and similar instruments relating to development and zoning;
4. Any reservations, exceptions, limitations, provisos and conditions contained in the original Crown grant or patent;
5. Any subsisting conditions, interests, covenants, provisos, exceptions and reservations in favour of utilities and public authorities;
6. Any and all encumbrances such as covenants, easements and/or rights of way to be granted in favour of the City, public utilities, public authorities or other entities as may be necessary or desirable to complete the Development;
7. Any development permit or building permit relating to the development of the Lands or the Premises

**.SCHEDULE C**

## PLAN OF THE PREMISES

**SCHEDULE D**

**Premises and Complex Design Plans**

**Schedule E Residential Units MOU**