



SOLEADO RIDGE

DISCLOSURE STATEMENT

Real Estate Development Marketing Act

Name of Developer: SOLEADO RIDGE DEVELOPMENT LTD.

Address for Service: c/o Nixon Wenger LLP
Lawyers
#301, 2706 – 30th Avenue
Vernon, British Columbia V1T 2B6

Business Address of Developer: 1000 Midday Valley Road
Merritt, British Columbia V1K 1B0

Real Estate Agent: HomeLife Advantage Realty Ltd.
8387 Young Road
Chilliwack, British Columbia V2P 4N8
Attention: Caleb Westeringh

In addition, the Developer intends to use its own employees to market the lots. The Developer's employees are not licensed under the Real Estate Services Act and are not acting on behalf of the purchaser.

Date of Disclosure Statement: May 31, 2024

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

This Disclosure Statement relates to a development property that is not yet completed. Please refer to section 7.2 for information on the purchase agreement. That information has been drawn to the attention of _____, who has confirmed that fact by initialing in the space provided here: _____

RIGHT OF RESCISSION

Under section 21 of the *Real Estate Development Marketing Act*, the purchaser or lessee of a development unit may rescind (cancel) the contract of purchase and sale or contract to lease by serving written notice on the developer or the developer's brokerage, within 7 days after the later of the date the contract was entered into or the date the purchaser or lessee received a copy of this Disclosure Statement.

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

- (a) the developer at the address shown in the disclosure statement received by the purchaser,
- (b) the developer at the address shown in the purchaser's purchase agreement,
- (c) the developer's brokerage, if any, at the address shown in the disclosure statement received by the purchaser, or
- (d) the developer's brokerage, if any, at the address shown in the purchaser's purchase agreement.

The developer must promptly place purchaser's deposits with a brokerage, lawyer or notary public who must place the deposit in a trust account in a savings institution in British Columbia. If a purchaser rescinds their purchase agreement in accordance with the Act and regulations, the developer or the developer's trustee must promptly return the deposit to the purchaser.

POLICY STATEMENT 5 RESCISSION RIGHTS**EARLY MARKETING – DEVELOPMENT APPROVAL**

- (a) THE ESTIMATED DATE, AS DISCLOSED IN THIS DISCLOSURE STATEMENT, FOR THE ISSUANCE OF A PRELIMINARY LAYOUT REVIEW FOR THE DEVELOPMENT BEING MARKETED UNDER THIS DISCLOSURE STATEMENT, IS TWELVE (12) MONTHS OR LESS FROM THE DATE THE DEVELOPER FILED THE DISCLOSURE STATEMENT WITH THE BRITISH COLUMBIA SUPERINTENDENT OF REAL ESTATE.
- (b) THE DEVELOPER MAY ONLY MARKET THE PROPOSED DEVELOPMENT UNITS UNDER THIS DISCLOSURE STATEMENT FOR A PERIOD OF NO MORE THAN TWELVE (12) MONTHS FROM THE FILING DATE, UNLESS AN AMENDMENT TO THE DISCLOSURE STATEMENT THAT SETS OUT PARTICULARS OF THE ISSUED PRELIMINARY LAYOUT REVIEW IS FILED WITH THE SUPERINTENDENT DURING THAT PERIOD. THE DEVELOPER MUST ALSO EITHER:
- (i) PRIOR TO THE EXPIRY OF THE TWELVE (12) MONTH PERIOD, FILE WITH THE SUPERINTENDENT AN AMENDMENT TO THE DISCLOSURE STATEMENT THAT SETS OUT PARTICULARS OF THE ISSUED PRELIMINARY LAYOUT REVIEW; OR
 - (ii) UPON THE EXPIRY OF THE TWELVE (12) MONTH PERIOD, IMMEDIATELY CEASE MARKETING THE DEVELOPMENT AND CONFIRM IN A WRITTEN UNDERTAKING TO THE SUPERINTENDENT THAT ALL MARKETING OF THE DEVELOPMENT HAS CEASED AND WILL NOT RESUME UNTIL AFTER THE NECESSARY AMENDMENT HAS BEEN FILED, FAILING WHICH A CEASE MARKETING OR OTHER ORDER MAY BE ISSUED BY THE SUPERINTENDENT TO THE DEVELOPER WITHOUT FURTHER NOTICE.

ADDITIONALLY, THE DEVELOPER MUST PROVIDE WRITTEN NOTICE WITHOUT DELAY TO THE SUPERINTENDENT IF, DURING THE TWELVE (12) MONTH PERIOD, ALL UNITS IN THE DEVELOPMENT PROPERTY BEING MARKETED UNDER POLICY STATEMENT 5 ARE SOLD OR THE DEVELOPER HAS DECIDED NOT TO PROCEED WITH THE DEVELOPMENT.

- (c) ANY PURCHASE AGREEMENT USED BY THE DEVELOPER, WITH RESPECT TO ANY DEVELOPMENT UNIT OFFERED FOR SALE OR LEASE BEFORE THE PURCHASER'S RECEIPT OF AN AMENDMENT TO THIS DISCLOSURE STATEMENT THAT SETS OUT PARTICULARS OF THE ISSUED PRELIMINARY LAYOUT REVIEW, MUST CONTAIN THE FOLLOWING PROVISIONS:
- (i) THE PURCHASER MAY CANCEL THE PURCHASE AGREEMENT FOR A PERIOD OF SEVEN (7) DAYS AFTER RECEIPT OF AN AMENDMENT TO THIS DISCLOSURE STATEMENT THAT SETS OUT PARTICULARS OF THE ISSUED PRELIMINARY LAYOUT REVIEW 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 PRELIMINARY LAYOUT REVIEW;
 - (ii) IF AN AMENDMENT TO THIS DISCLOSURE STATEMENT THAT SETS OUT PARTICULARS OF AN ISSUED PRELIMINARY LAYOUT REVIEW IS NOT RECEIVED BY THE PURCHASER WITHIN TWELVE (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 TWELVE (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 (7) 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 PRELIMINARY LAYOUT REVIEW;

- (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 PRELIMINARY LAYOUT REVIEW IS NO MORE THAN 10% OF THE PURCHASE PRICE; AND**
- (iv) ALL DEPOSITS PAID BY A PURCHASER, INCLUDING INTEREST EARNED IF APPLICABLE, WILL BE RETURNED PROMPTLY TO THE PURCHASER UPON NOTICE OF CANCELLATION FROM THE PURCHASER.**

POLICY STATEMENT 6 RESCISSION RIGHTS**ADEQUATE ARRANGEMENTS – UTILITIES AND SERVICES**

PURSUANT TO POLICY STATEMENT 6 ISSUED UNDER THE REAL ESTATE DEVELOPMENT MARKETING ACT, IF THE DEVELOPER HAS NOT OBTAINED A SATISFACTORY FINANCING COMMITMENT, THE DEVELOPER MAY MARKET THE DEVELOPMENT UNITS, BUT ONLY ON COMPLYING WITH THE FOLLOWING TERMS AND CONDITIONS:

- (a) THE ESTIMATED DATE FOR OBTAINING A SATISFACTORY FINANCING COMMITMENT, AS DISCLOSED IN THIS DISCLOSURE STATEMENT, IS TWELVE (12) MONTHS OR LESS FROM THE DATE THE DEVELOPER FILED THE DISCLOSURE STATEMENT WITH THE SUPERINTENDENT;**
- (b) THE DEVELOPER MAY MARKET THE PROPOSED DEVELOPMENT UNITS UNDER THIS DISCLOSURE STATEMENT FOR A PERIOD OF NO MORE THAN TWELVE (12) MONTHS FROM THE DATE THE DISCLOSURE STATEMENT WAS FILED WITH THE SUPERINTENDENT, UNLESS AN AMENDMENT TO THIS DISCLOSURE STATEMENT THAT SETS OUT PARTICULARS OF A SATISFACTORY FINANCING COMMITMENT IS FILED WITH THE SUPERINTENDENT DURING THAT PERIOD. THE DEVELOPER MUST ALSO EITHER:
 - (i) PRIOR TO THE EXPIRY OF THE TWELVE (12) MONTH PERIOD, FILE WITH THE SUPERINTENDENT AN AMENDMENT TO THIS DISCLOSURE STATEMENT THAT SETS OUT PARTICULARS OF A SATISFACTORY FINANCING COMMITMENT; OR**
 - (ii) UPON THE EXPIRY OF THE TWELVE (12) MONTH PERIOD, IMMEDIATELY CEASE MARKETING THE DEVELOPMENT AND CONFIRM IN A WRITTEN UNDERTAKING TO THE SUPERINTENDENT THAT ALL MARKETING OF THE DEVELOPMENT HAS CEASED AND WILL NOT RESUME UNTIL AFTER THE NECESSARY AMENDMENT HAS BEEN FILED, FAILING WHICH A CEASE MARKETING OR OTHER ORDER MAY BE ISSUED BY THE SUPERINTENDENT TO THE DEVELOPER WITHOUT FURTHER NOTICE.****

ADDITIONALLY, THE DEVELOPER MUST PROVIDE WRITTEN NOTICE WITHOUT DELAY TO THE SUPERINTENDENT IF, DURING THE TWELVE (12) MONTH PERIOD, ALL UNITS IN THE DEVELOPMENT PROPERTY BEING MARKETED UNDER POLICY STATEMENT 6 ARE SOLD OR THE DEVELOPER HAS DECIDED NOT TO PROCEED WITH THE DEVELOPMENT.

- (c) ANY PURCHASE AGREEMENT USED BY THE DEVELOPER, WITH RESPECT TO ANY DEVELOPMENT UNIT OFFERED FOR SALE OR LEASE BEFORE THE PURCHASER'S RECEIPT OF AN AMENDMENT TO THIS DISCLOSURE STATEMENT THAT SETS OUT PARTICULARS OF A SATISFACTORY FINANCING COMMITMENT, MUST CONTAIN THE FOLLOWING TERMS:
 - (i) IF AN AMENDMENT TO THIS DISCLOSURE STATEMENT THAT SETS OUT PARTICULARS OF A SATISFACTORY FINANCING COMMITMENT IS NOT RECEIVED BY THE PURCHASER WITHIN TWELVE (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 TWELVE (12) MONTH PERIOD UNTIL THE REQUIRED AMENDMENT IS RECEIVED BY THE PURCHASER;****

- (ii) 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 A SATISFACTORY FINANCING COMMITMENT IS NOT MORE THAN TEN PERCENT (10%) OF THE PURCHASE PRICE; AND**
- (iii) ALL DEPOSITS PAID BY A PURCHASER, INCLUDING INTEREST EARNED IF APPLICABLE, WILL BE RETURNED PROMPTLY TO THE PURCHASER UPON NOTICE OF CANCELLATION FROM THE PURCHASER.**

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Exhibits

- Exhibit A PRELIMINARY LOT LAYOUT PLAN
- Exhibit B EXISTING ENCUMBRANCES AND LEGAL NOTATIONS
- Exhibit C PROPOSED ENCUMBRANCES
- Exhibit D PURCHASE CONTRACT

1. The Developer

- 1.1 The developer, Soleado Ridge Development Ltd. (the "**Developer**"), was incorporated in British Columbia on April 29, 2021 under incorporation number BC1302884.
- 1.2 The Developer was incorporated specifically for developing the lots described in this Disclosure Statement (the "**Development**") and has no other assets other than its rights to the lands from which the Development will be subdivided.
- 1.3 The Developer's registered and records office is located at Nixon Wenger LLP, Lawyers, #301, 2706 – 30th Avenue, Vernon, British Columbia V1T 2B6.
- 1.4 The sole director of the Developer is Claude Lelievre.
- 1.5
 - (1) Claude Lelievre is a businessman and has, over the past 30 years, been involved in different aspects of development. Claude has some construction experience starting with purchasing and restoring residential homes for resale. In 2004, Claude designed and managed the development and construction of an RV park, including 64 fully serviced RV pads, a 4,800 sq. ft. ancillary building and infrastructure for the RV park. In 1995 Claude purchased a 946 acre parcel of land of which a portion was located in the ALR. Claude subdivided that parcel to create a separate 505 acre parcel which would become the site for the Merritt Mountain Music Festival. This development included negotiations with the City of Merritt for rezoning for specific uses. For approximately 18 years, Claude was involved in the planning, designing and construction of the site and various building facilities and installed the necessary infrastructure relating to the Merritt Mountain Music Festival.
 - (2) Neither the Developer, nor any principal holder of the Developer, or any director or officer of the Developer or principal holder, has within ten years prior to the date of the Developer's Declaration attached to this Disclosure Statement, been subject to any penalties or sanctions imposed by a court or regulatory authority, relating to the sale, lease, promotion, or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud.
 - (3) Neither the Developer, nor any principal holder of the Developer, or any director or officer of the Developer or principal holder, within the five years before the date of the Developer's declaration attached to this Disclosure Statement, was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.
 - (4) Neither the Developer, nor any director, officer or principal of the Developer, within the five years prior to the date of the Developer's Declaration attached to this Disclosure Statement, has been a director, officer or principal holder of any other developer that, while that person was acting in that capacity, that other developer:
 - (a) was subject to any penalties or sanctions imposed by a court or regulatory authority relating to the sale, lease, promotion, or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging,

administering or dealing in mortgages of land, or to theft or fraud, and describe any penalties or sanctions imposed, or

- (b) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

1.6 The Developer is not aware of any existing or potential conflicts of interest among the Developer, manager, any directors, officers and principal holders of the Developer and manager, any directors and officers of the principal holders, and any person providing goods or services to the Developer, manager or holders of the development units in connection with the Development which could reasonably be expected to affect the purchaser's purchase decision.

2. General Description

2.1 General Description of the Development

(a) The Development is a fee-simple subdivision consisting of the following:

- (i) proposed Lot 1 is currently intended to be a "multi-family" site;
- (ii) proposed Lot 2 is currently intended to be a commercial lot; and
- (iii) proposed Lots 3 to 12 inclusive are residential lots

(the "Lots").

The above uses reflect the Developer's current intent for the Development based on communications had with the City of Merritt, and is subject to change. The actual uses of each Lot by any purchaser may vary based on applicable zoning and other laws, as well as charges on title.

- (b) The Developer is currently marketing all the Lots under this Disclosure Statement.
- (c) The street address of the Development is 923 Midday Valley Road, Merritt, British Columbia.
- (d) The general layout of the Development is shown on the Preliminary Lot Layout Plan (the "Lot Layout Plan"), a copy of which is attached as Exhibit A.

2.2 Permitted Use

The Development is located within the jurisdiction of the City of Merritt (the "City") and the Lots are zoned Comprehensive Development – Residential Commercial (CD1-RC) under the City of Merritt Zoning Bylaw No. 2284, 2020 and amendments thereto (the "Bylaw"), which zoning permits comprehensively planned residential and commercial land use and development. The bylaws include the following permitted principal uses:

- a. Single Detached Dwellings, and a maximum of one detached secondary Dwelling per Parcel; minimum parcel area is 8,000 m²;
- b. Multiple Unit Dwellings; minimum parcel area is 3 hectares;
- c. Hotel; minimum parcel area is 3 hectares;

- d. Home-based Businesses;
- e. Accessory Buildings except for Shipping Containers;
- f. Public service or utility buildings and Structures including towers;
- g. Parks and playgrounds.

Purchasers are advised to contact the City, Box 189, 2185 Voght Street, Merritt, British Columbia V1K 1B8 Telephone: 250-378-4224 or consult their website at www.merritt.ca to obtain information as to all of the City's restrictions and requirements applicable to construction on and use of the Lots.

2.3 Building Construction

The construction of improvements on the Lots shall be performed by the purchaser. A building permit is required from the City to construct improvements on the Lots and the purchaser will be responsible to obtain the building permit for such construction.

3. Servicing Information

3.1 Utilities and Services

The Developer will install water and sewerage services to the lot lines of each of the Lots. The Developer intends for utilities to each Lot to connect to main lines on Middy Valley Road. The utilities within Middy Valley Road may be above or below ground, as determined by the Developer and applicable government authorities and utility providers. The installation of such services and ducts with respect to the Development has not been completed. It is anticipated that the date of completion for the servicing will be June 30, 2025.

- (b) Water – domestic water service will be provided by the City;
- (c) Electricity – electrical services will be provided by BC Hydro;
- (d) Sewerage – sewage disposal will be provided by the City;
- (e) Natural Gas – natural gas service will be provided by FortisBC;
- (f) Fire Protection – fire protection service will be provided by the City;
- (g) Telephone (including television and internet services) – services will be provided by Telus and/or Shaw Cablesystems;
- (h) Access – access to the Lots will be from Middy Valley Road.

It will be the responsibility of a purchaser of a Lot to apply to the applicable authority for the delivery of available services to a Lot and to pay any applicable hook up fee to any such authority.

4. Title and Legal Matters

4.1 Legal Description

The current legal description of the lands on which the Development is located is:

Parcel Identifier 027-162-788

Lot 2, District Lot 166, Kamloops Division Yale District, Plan KAP84527

(the "Lands").

4.2 Ownership

Sterling Hunt (GP) Ltd. is the current registered owner in fee simple of the Lands under Certificate of Title No. CA2401478, registered at the Kamloops Land Title Office. The Developer has entered into a contract of purchase and sale under which it has the right to acquire the Lands. The Developer will complete its purchase of the Lands prior to the completion of the sale of the first Lot to a purchaser.

4.3 Existing Encumbrances and Legal Notations

The existing encumbrances and legal notations to which a purchaser's title will be subject are set out in Exhibit B.

4.4 Proposed Encumbrances

The proposed encumbrances to which a purchaser's title will be subject are set out in Exhibit C.

4.5 Outstanding or Contingent Litigation or Liabilities

To the knowledge of the Developer, there is no outstanding or contingent litigation in respect of the Development.

The only outstanding or contingent liabilities in respect of the Development are those incurred in the ordinary course of construction of the Development, which will be paid or satisfied by the Developer in due course.

4.6 Environmental Matters

The Lands have sustained significant and extensive coal mining underground activity from approximately 1906 to 1945. The Developer has completed testing and has not found the mine shafts present any risk for the Lands to be developed.

The Developer's environmental consultants have identified areas of potential concern on a portion of the Lands, which portion does not include any part of the Development. The Developer will address any discovered or known environmental issues on the Lots in accordance with applicable laws, prior to their sale and will obtain all necessary approvals from governmental authorities with respect to the environmental condition of the Lots to allow the Development to be completed.

With the exception of the foregoing, the Developer is not aware of any dangers or any requirements imposed by municipalities or other governmental authorities relating to flooding or the condition of the soil or sub-soil of the Lots except as set out in the following documents:

1. Covenant KL70788 in favour of the Crown in Right of British Columbia (as represented by the Ministry of Transportation and Highways) and Thompson Nicola Regional District – this Covenant was registered, inter alia, over PID 012-950-602 District Lot 166, KDYD except (1) part lying South and East of Plan A215 and (2) Plans A215, 10584, 23191, 25206, 25510, 26688 and KAP59518 on July 9, 1997 and provides that no development shall be undertaken to locate, build or move mobile home or unit or modular home and no structure shall be constructed, reconstructed, moved, extended or located on the lands until a report prepared by a professional Engineer experienced in Geotechnical engineering which identifies safe building sites to the satisfaction of the Ministry of Transportation and Highways and Thompson Nicola Regional District.

2. Covenant KL70791 in favour of the Crown in Right of British Columbia (as represented by the Ministry of Transportation and Highways) and Thompson Nicola Regional District – this Covenant was registered, inter alia, over PID 012-950-602 District Lot 166, KDYD except (1) part lying South and East of Plan A215 and (2) Plans A215, 10584, 23191, 25206, 25510, 26688 and KAP59518 on July 9, 1997 and provides that:
 - (a) no development shall be undertaken on the portion of the land between the abandoned Kettle Valley Railway Right-of-Way (Plan A215) and the valley wall on the northwest side of the Coldwater River. The “valley wall” is defined as the point where the natural ground elevation is five (5) meters above the natural boundary of the Coldwater River;
 - (b) no disturbance of the natural vegetation with the horizontal set back being defined as the point where the natural ground elevation is five (5) meters above the natural boundary of the Coldwater River is permitted, without the written approval of the Thompson Nicola Regional District; and
 - (c) the owner shall not claim damages from the Province of British Columbia or the Thompson Nicola Regional District or hold the Province of British Columbia or the Thompson Nicola Regional District responsible for damages caused by flooding or erosion to the land or to any building, improvement, or other structure built, constructed or placed upon the said lands and to any contents thereof.

3. Covenant KM61226 in favour of the Provincial Agricultural Land Commission – this Covenant was registered over PID 012-950-602 District Lot 166, KDYD except (1) part lying South and East of Plan A215 and (2) Plans A215, 10584, 23191, 25206, 25510, 26688 and KAP59518 and PID 013-003-569 The North ½ of Sec 4, Tp 91, KDYD except: (1) part lying South and East of the Kettle Valley Railway Company Right-of-Way shown on Plan A215 (2) Plan A215 (3) Plan KAP59518 on June 26, 1998 and provides for no construction of any improvements on the lands nor any roadwork or earthwork on the lands other than solely for agricultural purposes. Nothing in the covenant shall prevent:
 - (a) the construction of one single family home and ancillary improvements per parcel;
 - (b) temporary works for a non farm use approved by the Provincial Agricultural Land Commission;

- (c) fencing of barbed wire or page wire used to control access of persons and vehicles to the lands or any part thereof; or
- (d) irrigation improvements to the lands.

5. Construction and Warranties

5.1 Construction Dates

For the purposes of this section:

"commencement of construction" means the date of commencement of excavation in respect of construction of an improvement that will become part of a development unit within the development property, and where there is no excavation it means the date of commencement of construction of an improvement that will become part of a development unit within the development property;

"completion of construction" means the date the subdivision plan is deposited in a land title office; and

"estimated date range" means a date range, not exceeding three months, for the commencement of construction or the completion of construction.

- (1) The estimated date range of commencement of construction is November 1, 2024 to February 1, 2025.
- (2) The estimated date range of completion of construction is April 1, 2025 to July 1, 2025.

5.2 Warranties

There are no construction or other warranties provided by the Developer.

6. Approvals and Finances

6.1 Development Approval

The Development is permitted as the Lands are zoned Comprehensive Development – Residential Commercial (CD1-RC) under the Bylaw.

A Preliminary Layout Review has not been issued by the City and accordingly the Lots are being marketed in accordance with Policy Statement 5 issued by the Superintendent. The Developer will issue an amendment to this Disclosure Statement in accordance with Policy Statement 5 upon the City issuing a Preliminary Layout Review. Pursuant to Policy Statement 5, a copy of the Contract, prepared in accordance with Policy Statement 5, is attached hereto as Exhibit D.

6.2 Construction Financing

The Developer does not yet have a satisfactory financing commitment to complete the Development. Accordingly, the marketing of the Lots is pursuant to Policy Statement 6 issued by the Superintendent. The Developer will file an amendment to this Disclosure Statement once a satisfactory financing commitment has been obtained, which the Developer estimates will occur no later than 12 months following the filing of this Disclosure Statement. Pursuant to Policy Statement 6, a copy of the Contract, prepared in accordance with Policy Statement 6, is attached hereto as Exhibit D.

7. Miscellaneous

7.1 Deposits

All deposits and other money received from a purchaser of a Lot shall be held in trust by Nixon Wenger LLP, Lawyers, #301, 2706 – 30th Avenue, Vernon, British Columbia V1T 2B6, in trust in the manner required by the *Real Estate Development Marketing Act* until an instrument evidencing the interest of the purchaser of a Lot has been submitted for registration in the Kamloops Land Title Office.

7.2 Purchase Agreement

- (1) The Developer's form of contract of purchase and sale to be entered into by the Developer and a purchaser of a Lot is attached hereto as Exhibit D (the "**Contract**"). The Developer reserves the right at any time to amend or replace this form of the Contract or agree on other terms and conditions with any purchaser, in the Developer's sole discretion.
- (2) The following provisions in the Contract permit the termination of the Contract:
 - (a) Paragraph 1.1(c) [Seller's failure] of Schedule A to the Contract provides that "If the Seller fails or refuses to complete the sale of the Property to the Buyer in accordance with the provisions of this Agreement, then the Deposit shall be paid to the Buyer, the Buyer shall have no claims against the Seller, and this Agreement shall be terminated."
 - (b) Paragraph 2.3 [Outside Completion Date] of Schedule A to the Contract provides that "If the Completion Date has not occurred by the 180th day following the Original Completion Date (the "**Outside Completion Date**"), this Agreement may be terminated by either party unless the parties agree in writing to further extend. However, if the Seller is delayed from completing construction of the Development as a result of any event or circumstance whatsoever beyond the reasonable control of the Seller, then the Outside Completion Date will be extended for a period equivalent to such period of delay. If this Agreement is terminated pursuant to this section, this Agreement will be null and void, the Seller will repay the Deposit to the Buyer and there will be no further obligations as between the Seller and the Buyer."
 - (c) Paragraph 4.1 [Risk] of Schedule A to the Contract provides that "The Property shall be at the Seller's risk up to and including the Completion Date and shall be at the Buyer's risk thereafter. In the event of loss or damage to the Property before risk passes to the Buyer, and in the event such a loss or damage occurs by reason of tempest, lightning, earthquake, flood, or other

Act of God, fire or explosion, the Buyer may at its option cancel this Agreement whereupon it shall be entitled to the return of deposits paid under this Agreement and the parties shall have no liability to each other hereunder.”

- (d) Portions of Paragraph 7.2 [Time of the Essence] of Schedule A to the Contract provide that:

“Time shall be of the essence of this Agreement and unless all payments on account of the Purchase Price, together with adjustments thereto as provided herein, and all other amounts payable herein are paid when due, then the Seller may, at its option:

- (a) Terminate this Agreement by written notice to the Buyer and, in such event, the Deposit and all accrued interest thereon, if any, will be forfeited to the Seller in accordance with Section 1.1 of this Schedule A;
- (b) ...

The Seller, in its sole discretion, may cancel this Agreement pursuant to Section 7.2(a) above at any time after extending the Completion Date one or more times if the Purchase fails to complete the purchase and pay all amounts due hereunder on or before such extended Completion Date.”

- (e) Paragraph 7.16 [Personal Information] of Schedule A to the Contract provides that:

“The Seller may in its sole discretion terminate this Agreement if the Seller has reasonable grounds to suspect that any part of the transaction contemplated by this Agreement is related to the commission or attempted commission of a "money laundering offence" or a "terrorist activity financing offence", as defined in the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and regulations under that Act, as amended from time to time. In the event of such termination, the Deposit paid shall be paid to the Buyer and the Buyer shall have no further claims against the Seller.”

- (f) Paragraph 7.18 [Major Outside Event] of Schedule A to the Contract provides that “The parties agree that if:

- (i) any earthquake, flood or other act of God, flood, fire, explosion or accident, howsoever caused, pandemic or other event beyond the reasonable control of the Seller, or
- (ii) any condition discovered within the Development or in the vicinity or the Development, including, without limitation, any soil or environmental condition, or
- (iii) any act or requirement of any governmental or regulatory authority or utility provider; or
- (iv) strike, lockout, inability to obtain or delay in obtaining labour, supplies, materials or equipment, delay or failure by carriers or contractors,

breakage or other casualty, climatic condition, interference of the Buyer, or

- (v) any other factor or event of any nature whatsoever beyond the reasonable control of the Seller,

adversely affects, as determined by the Seller in its sole and unfettered discretion, the legal, logistical or economic feasibility of the completion of the Development or the performance of any of the Seller's obligations hereunder, then the Seller may at its option elect to:

- (1) terminate this Agreement upon written notice to the Buyer, upon which the Seller will return to the Buyer the Deposit and any interest earned thereon, or
- (2) extend any deadline for the completion of a covenant or obligation under this Agreement by the duration of the delay caused by (i), (ii), (iii), (iv) or (v) as aforesaid in this paragraph as reasonably estimated by the Seller which estimate may be updated and thus the extension period amended from time to time."

- (g) Schedule B [Seller's Conditions] to the Contract provides that:

"It is a condition precedent to the Seller's obligations hereunder that:

- (a) Title to the Property is raised at the Land Title Office on or before that date that is 24 months following the date this Agreement is fully executed and delivered by all parties;
- (b) The Seller obtains financing for the construction of the Development satisfactory to the Seller in its sole and unfettered discretion on or before the date that is 12 months following the filing of the Disclosure Statement dated May 31, 2024;
- (c) The Seller obtains a Preliminary Layout Review for the construction of the Development satisfactory to the Seller in its sole and unfettered discretion on or before the date that is 12 months following the filing of the Disclosure Statement dated May 31, 2024;
- (d) The Seller obtains all required approvals to complete the Development from governmental authorities, utility providers and others on or before that date that is 24 months following the date this Agreement is fully executed and delivered by all parties; and
- (e) There shall be no action or proceeding by any governmental authority, regulatory body or agency which prohibits the purchase and sale of the Lot contemplated by this Agreement or the right of the Purchaser to own the Lot, on the Completion Date.

Each of the foregoing conditions is for the sole benefit of the Seller and may be waived unilaterally by the Seller. In the event that any one or more of the foregoing conditions is not satisfied or waived on or before the stipulated date, this Agreement shall terminate, the Deposit shall be returned to the Buyer, and neither party shall have any further obligation to the other hereunder. In consideration of \$1.00 now paid by the Seller to the Buyer, which the Buyer

hereby acknowledges receiving, the Buyer agrees not to revoke its agreements contained herein while any one or more of the above conditions remain outstanding and capable of being waived.”

- (h) Schedule C [Buyer Termination Rights re Financing Amendment and Preliminary Layout Review Amendment] of the Contract provides that:

“The Seller intends to file with the Superintendent of Real Estate (the “**Superintendent**”) and deliver to the Buyer an amendment to the Disclosure Statement (the “**Preliminary Layout Review Amendment**”) that sets out particulars of an issued preliminary layout review in respect of the Development and an amendment (the “**Financing Amendment**”) to the Disclosure Statement that sets out the particulars of a satisfactory financing commitment in respect of the Development, as contemplated in the Disclosure Statement. The Seller and Buyer agree that:

- (i) the Buyer may cancel this Agreement for a period of seven days after receipt of the Preliminary Layout Review Amendment if the layout or size of the Lot or the general layout of the Development, is materially changed by the issuance of the preliminary layout review;
 - (ii) if the Preliminary Layout Review Amendment is not received by the Buyer within 12 months after the Disclosure Statement dated May 31, 2024, was filed with the Superintendent, the Buyer may at his or her option cancel this Agreement at any time after the end of the 12 month period until the Preliminary Layout Review Amendment is received by the Buyer, at which time the Buyer may cancel this Agreement for a period of seven days after receipt of the Preliminary Layout Review Amendment only if the layout or size of the Lot or the general layout of the Development, is materially changed by the issuance of the preliminary layout review;
 - (iii) if the Financing Amendment is not received by the Buyer within 12 months after the Disclosure Statement dated May 31, 2024 was filed with the Superintendent, the Buyer may at his or her option cancel this Agreement at any time after the end of the 12 month period until the Financing Amendment is received by the Buyer;
 - (iv) the amount of the Deposit to be paid by the Buyer prior to receiving the Preliminary Layout Review Amendment and the Financing Amendment will be no more than 10% of the Purchase Price; and
 - (v) all deposits paid by the Buyer, including interest earned if applicable, will be returned promptly to the Buyer upon notice of cancellation from the Buyer pursuant to this Schedule E.”
- (3) Section 4 of the Contract and Paragraph 1 of Schedule A to the Contract provides that deposit monies will be placed in the trust account of the Seller’s lawyers and no interest will be payable to the purchaser on any deposit.
- (4) The following provisions in the Contract permit the provisions for an extension to the Completion Date of the Contract as follows:

- (a) Paragraph 2.2 of Schedule A to the Contract provides that:

“The notice of the Original Completion Date delivered to the Buyer may be based on the Seller’s estimate as to when a separate title for the Property will have been issued and if on the Original Completion Date a separate title has not been issued, or the Seller reasonably expects that such item shall not be issued, then the Seller may extend the Original Completion Date from time to time as required by the Seller until a separate title for the Property has been issued, by notice of such extension to the Buyer, the Buyer’s lawyer, notary, or real estate agent, provided that the Seller will give not less than 24 hours’ notice of such extended Completion Date. The “Completion Date” is the Original Completion Date if the Original Completion Date is not extended or, if the Original Completion Date is extended pursuant to the terms hereof, the date to which it is so extended from time to time.”

- (b) A portion of Paragraph 7.2 [Time of the Essence] of Schedule A to the Contract provides that:

“Time shall be of the essence of this Agreement and unless all payments on account of the Purchase Price, together with adjustments thereto as provided herein, and all other amounts payable herein are paid when due, then the Seller may, at its option:

...

- (b) Elect to extend the Completion Date to a certain date determined by the Seller, time to remain of the essence hereof and subject to the Seller’s right in its sole and unfettered discretion, to grant further extensions to a certain date each time, in which event the Buyer will pay to the Seller, in addition to the Purchase Price, interest on the unpaid portion of the Purchase Price and other unpaid amounts payable hereunder at the rate of two percent (2%) per month (24% per annum) compounded monthly not in advance, from and including the date upon which such portion and amounts were due to and including the date upon which such portion and amounts are paid.

...

Should any extension of the Completion Date pursuant to Section 7.2(a) result in the Completion Date extending beyond the Outside Completion Date, the Outside Completion Date shall be deemed to be extended to the same date as the Completion Date, and shall not give the Purchaser any rights to terminate this Agreement.”

- (5) Paragraph 7.18 [Major Outside Event] of Schedule A to the Contract provides that “The parties agree that if:

- (i) any earthquake, flood or other act of God, flood, fire, explosion or accident, howsoever caused, pandemic or other event beyond the reasonable control of the Seller, or

- (ii) any condition discovered within the Development or in the vicinity of the Development, including, without limitation, any soil or environmental condition, or
- (iii) any act or requirement of any governmental or regulatory authority or utility provider; or
- (iv) strike, lockout, inability to obtain or delay in obtaining labour, supplies, materials or equipment, delay or failure by carriers or contractors, breakage or other casualty, climatic condition, interference of the Buyer, or
- (v) any other factor or event of any nature whatsoever beyond the reasonable control of the Seller,

adversely affects, as determined by the Seller in its sole and unfettered discretion, the legal, logistical or economic feasibility of the completion of the Development or the performance of any of the Seller's obligations hereunder, then the Seller may at its option elect to:

- (1) terminate this Agreement upon written notice to the Buyer, upon which the Seller will return to the Buyer the Deposit and any interest earned thereon, or
 - (2) extend any deadline for the completion of a covenant or obligation under this Agreement by the duration of the delay caused by (i), (ii), (iii), (iv) or (v) as aforesaid in this paragraph as reasonably estimated by the Seller which estimate may be updated and thus the extension period amended from time to time."
- (6) Paragraph 7.8 of Schedule A to the Contract contains the following terms with respect to an assignment of any purchase contract for a Lot:

"Assignment: The Buyer shall not be entitled, directly or indirectly, to assign its interest in this Agreement or direct the Developer to transfer title to the Lot to any third party without the prior written consent of the Developer, in the Developer's absolute discretion, and unless the Buyer gives the Developer and the Developer's solicitors not less than 10 days' prior written notice of such assignment. Such assignment will not release or discharge the Buyer from any of the Buyer's duties or obligations under this Agreement even if this Agreement is subsequently amended. Any assignment by the Buyer for which consent has been received from the Developer will only be effective upon the execution of an agreement by the assignee agreeing to be bound by this Agreement."

7.3 Developer's Commitments

The Developer does not anticipate any other commitments which must be met by the Developer after completion of a sale or lease of a Lot.

7.4 Other Material Facts

- (1) Prospective purchasers should be aware that (i) the Developer currently intends to develop the remainder of the Lands in subsequent stages, but may elect not to at its discretion and (ii) construction on the Lots and construction in connection with future stages of the Soleado Ridge Development and the development of the remainder of the Lands, including as shown on the proposed Lot Layout Plan, will involve noise, dirt, dust and vibrations normally associated with construction projects.
- (2) Following the deposit of a formal surveyed subdivision plan, substantially in accordance with the Lot Layout Plan attached as Exhibit A, at the Land Title Office, the Developer will continue to carry out, for a period as the Developer determines to be necessary or desirable in connection with the marketing of the Lots, marketing and sales activities within and about the Development and any Lots owned by the Developers including maintaining display areas, display suites, a sales office, parking areas and signage.

The Developer also intends to place signage in areas of the Development as part of its marketing and sales activities, for such period of time as the Developer determines to be necessary or desirable. In addition, the Developer intends to conduct tours of the Development from time to time with prospective purchasers in connection with its marketing and sales activities.

The Developer will act reasonably in exercising such rights and use reasonable efforts to minimize any interference with the use or enjoyment of the Development and the Lots.

- (3) It is expected that the portion of Midday Valley Road fronting the Development will be divided to create a frontage road that will serve the Development. Accordingly, the specifications and name of the road serving the Development may change from what currently exists.
- (4) Lots will be sold to purchasers in "as-is" condition subject to completion of work and grading required to be completed by the Developer by governmental authorities, utility providers and other applicable third parties in order to raise title to the Lots. The Development is on a hillside and prospective purchasers are encouraged to consider slopes, elevations, sight lines, drainage and buildable areas of each Lot when planning for any construction thereon.

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

DECLARATION

The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of May 31, 2024.

Soleado Ridge Development Ltd.

Per: 

Authorized Signatory

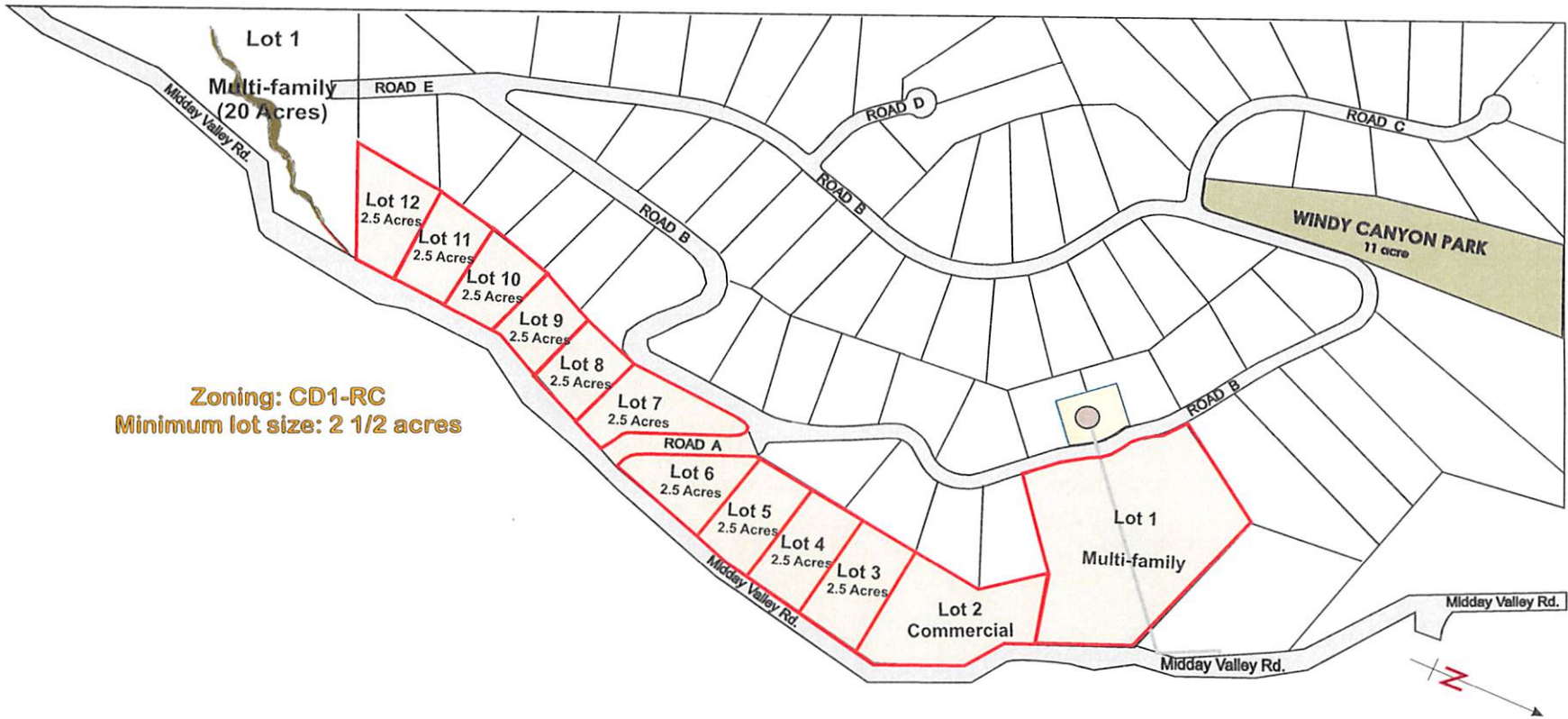
The Director of Soleado Ridge Development Ltd. in his personal capacity:



Claude Lelievre

Exhibit A
PRELIMINARY LOT LAYOUT PLAN

SOLEADO RIDGE



Zoning: CD1-RC
Minimum lot size: 2 1/2 acres

Exhibit B
EXISTING ENCUMBRANCES AND LEGAL NOTATIONS

Legal Notations

1. Re: Paragraphs (E) and (F) of Section 23(1) LTA, See DF L40384 dated 21/07/1976.
2. Re: Paragraphs (E) and (F) of Section 23(1) LTA, See DF L40376 dated 21/07/1976.
3. Part 26, Local Government Act Permit see KR62676. This is the Development Permit issued on July 5, 2001 by the Thompson-Nicola Regional District relating to a proposed development on Lot B, Sec 4, Tp 91, DL 166, KDYD, Plan KAP59518.
4. Part 26, Local Government Act Permit see KX117809. This is the Development Permit issued on August 18, 2005 by the Thompson-Nicola Regional District relating to a proposed development on 1) DL 166, KDYD except: (1) part lying South and East of Plan A215 (2) Plans A215, 10584, 23191, 25206, 25510, 26688 and KAP59518 and 2) The North ½ of Sec 4, Tp 91, KDYD except: (1) part lying South and East of the Kettle Valley Railway Company Right-of-Way shown on Plan A215 (2) Plan A215 (3) Plan KAP59518.

Encumbrances

1. Undersurface Rights 101395E transferred to KV55515 in favour of Forum Development Corp. (transferred from Imperial Metals and Power Ltd. (Non-Personal Liability) by KV55515) – this grants to the grantees all coal, oil, fireclay and all mines and minerals save gold and silver in and under (a) Lot 166, KDYD except that part thereof shown on Plan A215 and (b) The North Half of Sec 4, Tp 91, KDYD. See paragraph 19 below regarding the forfeiture of these rights.
2. Covenant KL70784 in favour of the Crown in Right of British Columbia (as represented by the Ministry of Transportation and Highways) and Thompson Nicola Regional District – this Covenant was registered, inter alia, on July 9, 1997 and provides that PID 013-002-023 The NW4 of Sec 3, Tp 91, KDYD except (1) part lying South and East of the Kettle Valley Railway Company Right-of-Way shown on Plan A215 (2) Plan A215 and PID 012-950-602 District Lot 166, KDYD except (1) part lying South and East of Plan A215 and (2) Plans A215, 10584, 23191, 25206, 25510, 26688 and KAP59518 must always sell together, through which practical access is obtained as if the two parcels form one parcel.
3. Covenant KL70788 in favour of the Crown in Right of British Columbia (as represented by the Ministry of Transportation and Highways) and Thompson Nicola Regional District – this Covenant was registered, inter alia, over PID 012-950-602 District Lot 166, KDYD except (1) part lying South and East of Plan A215 and (2) Plans A215, 10584, 23191, 25206, 25510, 26688 and KAP59518 on July 9, 1997 and provides that no development shall be undertaken to locate, build or move mobile home or unit or modular home and no structure shall be constructed, reconstructed, moved, extended or located on the lands until a report prepared by a professional Engineer experienced in Geotechnical engineering which identifies safe building sites to the satisfaction of the Ministry of Transportation and Highways and Thompson Nicola Regional District.
4. Covenant KL70791 in favour of the Crown in Right of British Columbia (as represented by the Ministry of Transportation and Highways) and Thompson Nicola Regional District – this Covenant was registered, inter alia, over PID 012-950-602 District Lot 166, KDYD except (1) part lying

South and East of Plan A215 and (2) Plans A215, 10584, 23191, 25206, 25510, 26688 and KAP59518 on July 9, 1997 and provides that:

- (a) no development shall be undertaken on the portion of the land between the abandoned Kettle Valley Railway Right-of-Way (Plan A215) and the valley wall on the northwest side of the Coldwater River. The "valley wall" is defined as the point where the natural ground elevation is five (5) meters above the natural boundary of the Coldwater River;
- (b) no disturbance of the natural vegetation with the horizontal set back being defined as the point where the natural ground elevation is five (5) meters above the natural boundary of the Coldwater River is permitted without the written approval of the Thompson Nicola Regional District; and
- (c) the owner shall not claim damages from the Province of British Columbia or the Thompson Nicola Regional District or hold the Province of British Columbia or the Thompson Nicola Regional District responsible for damages caused by flooding or erosion to the land or to any building, improvement, or other structure built, constructed or placed upon the said lands and to any contents thereof.

5. Covenant KL70797 in favour of the Crown in Right of British Columbia (as represented by the Ministry of Transportation and Highways) and Thompson Nicola Regional District – this Covenant was registered, inter alia, over PID 012-950-602 Lot B, District Lot 166, KDYD, except (1) Part Lying South and East of Plan A215 (2) Plans A215, 10584, 23191, 25206, 25510 and 26688 and PID 013-003-569, The North ½ of Sec 4, Tp 91, KDYD except: (1) part lying South and East of the Kettle Valley Railway Company Right-of-Way shown on Plan A215 (2) Plan A215 as prepared by John Graham BCLS dated December 19, 1996 and provides that no building, mobile home or unit, modular home or structure, shall be constructed, reconstructed, moved, extended or located on the lands without the approval of the Thompson Nicola Regional District.
6. Covenant KM61226 in favour of the Provincial Agricultural Land Commission – this Covenant was registered over PID 012-950-602 District Lot 166, KDYD except (1) part lying South and East of Plan A215 and (2) Plans A215, 10584, 23191, 25206, 25510, 26688 and KAP59518 and PID 013-003-569 The North ½ of Sec 4, Tp 91, KDYD except: (1) part lying South and East of the Kettle Valley Railway Company Right-of-Way shown on Plan A215 (2) Plan A215 (3) Plan KAP59518 on June 26, 1998 and provides for no construction of any improvements on the lands nor any roadwork or earthwork on the lands other than solely for agricultural purposes. Nothing in the covenant shall prevent:
 - (a) the construction of one single family home and ancillary improvements per parcel;
 - (b) temporary works for a non farm use approved by the Provincial Agricultural Land Commission;
 - (c) fencing of barbed wire or page wire used to control access of persons and vehicles to the lands or any part thereof; or
 - (d) irrigation improvements to the lands.
7. Covenant KR24393, assigned by LB467278, in favour of Thompson-Nicola Regional District, City of Merritt and Her Majesty the Queen in Right of the Province of British Columbia, as represented by the Minister of Transportation ("MOTH") – this Covenant was registered, inter alia, over PID 023-827-670 Lot B, Sec 4, Tp 91, DL 166, KDYD, Plan KAP59518 on March 21, 2001 and provides that no building or structure shall be constructed nor a building permit issued in relation

to the lands or the Development until and unless the owner complies with requirements for both MOTH and the City relating to further traffic studies with recommendations identifying and setting out the necessary road improvements on a portion of Midday Valley Road together with appropriate engineering plans and specifications, and the owner submits a traffic study with recommendations identifying and setting out how traffic is to be handled during major events on the Development and assures MOTH and the City that the reasonable recommendations in the said traffic studies will be built and installed by the owner at its cost (the MOTH requirements). The owner further must have approved by the City Engineer design drawings for the off-site services and the traffic improvements set forth in the traffic studies and assure to the City and post reasonable security for the completion of such off-site services and traffic improvements, all to the reasonable satisfaction of the City Engineer (the Municipal Requirements).

8. Covenant KX18635 in favour of Her Majesty the Queen in Right of the Province of British Columbia (as represented by the Ministry of Water, Land and Air Protection) and Thompson Nicola Regional District – this Covenant was registered, inter alia, over PID 012-950-602 District Lot 166, KDYD except (1) part lying South and East of Plan A215 and (2) Plans A215, 10584, 23191, 25206, 25510, 26688 and KAP59518 on February 15, 2005 provides that:
 - (a) no building, mobile home or unit, modular home or permanent structure, shall be constructed, reconstructed, moved, extended or located within the land between the “valley wall” on the northwest side of the Coldwater River and within 45 meters of the natural boundary of the Coldwater River. The “valley wall” shall for the purpose of the covenant is defined as the point where the natural ground elevation is three point zero (3.0) metres above the natural boundary of the Coldwater River;
 - (b) no area used for habitation, business, or storage of any goods damageable by floodwaters shall be located within any building, modular home or structure at an elevation such that the underside of the floor system thereof is less than 3.0 metres above the natural boundary of the Coldwater River. In the case of a mobile home or unit, the ground level or top of concrete or asphalt pad on which it is located shall be lower than the above described elevation;
 - (c) the required elevation may be achieved by structural elevation of the said habitable, business, or storage area or by adequately compacted landfill on which any building is to be constructed or mobile home or unit located, or by a combination of both structural elevation and landfill. No area below the required elevation shall be used for the installation of furnaces or other fixed equipment susceptible to damage by floodwater. Where landfill is used to raise the natural ground elevation, the toe of the landfill slope shall be no closer to the natural boundary than the setback requirement given above. The face of the landfill slope shall be adequately protected against erosion from flood flows (wave action, ice or other debris); and
 - (d) the owner shall not claim damages from the Province of British Columbia or the Thompson Nicola Regional District for any damage to buildings within the restricted areas above, and the owner shall indemnify the Province of British Columbia and the Thompson Nicola Regional District for any damages arising in connection with any personal injury, death or loss or damage to the lands, or to any structure, building, modular home, mobile home or unit, improvement, chattel or other arising from any breach of this covenant.
9. Statutory Right of Way LB391657 (water utility) – this Statutory Right of Way Agreement, registered inter alia, allows the City to carry out its obligations in connection with the operation and maintenance of a water utility system on a portion of the Lands identified on Plan KAP90964.

10. Mortgage CA2401487 extended by CA5112700 in favour of Willson-Blake Holdings Ltd. These charges secure general financing obtained by Sterling Hunt (GP) Ltd. and will be discharged from the title to the Lands concurrently with the purchase of the Lands by the Developer.
11. Mortgage CA2401489 extended by CA5112701 in favour of Willson-Blake Holdings Ltd. These charges secure general financing obtained by Sterling Hunt (GP) Ltd. and will be discharged from the title to the Lands concurrently with the purchase of the Lands by the Developer.
12. Mortgage CA5112697 in favour of Interior Equities Corp. This charge secures general financing obtained by Sterling Hunt (GP) Ltd. and will be discharged from the title to the Lands concurrently with the purchase of the Lands by the Developer.
13. Priority Agreement CA5112756 grants priority of Mortgage CA5112697 over Mortgage CA2401487. This charge will be discharged from the title to the Lands concurrently with the purchase of the Lands by the Developer.
14. Priority Agreement CA5112757 grants priority of Mortgage CA5112697 over Mortgage CA2401489. This charge will be discharged from the title to the Lands concurrently with the purchase of the Lands by the Developer.
15. Undersurface Rights CB198317 is a forfeiture of Undersurface Rights 101395E transferred to KV55515 and confirms that the undersurface rights vest in the Crown.

Exhibit C
PROPOSED ENCUMBRANCES

1. Such covenants as are required by the City and other governmental authorities as a result of geotechnical, environmental and archeological reports obtained from qualified professionals.
2. Such other and further statutory rights of way and easements as are required for the provision of utilities to the Development and the Lots.
3. Such other charges as are required by the City and other governmental authorities in order to obtain all permits and approvals for the creation of the Lots and the completion of the Development.

Exhibit D
PURCHASE CONTRACT



**PURCHASE CONTRACT
SOLEADO RIDGE**

Date: _____

Parcel Identifier N/A

Proposed Lot _____, Section 19, Township 5, Kamloops Division Yale District, Plan EPP _____ (the "Property") of the proposed subdivision of Parcel Identifier 027-162-788 Lot 2, District Lot 166, Kamloops Division Yale District, Plan KAP84527 as shown on the Preliminary Lot Layout Plan attached as an exhibit to the Disclosure Statement (as defined herein) (the "Development").

Buyer Details (all information is required for each Buyer):

Full Name: First and Last Name

Address: Street Address
City, Province, Country

Postal Code: Postal Code

Tax ID: Business Number, Social Insurance Number, or International Tax Number in Country of Residence

DOB: Date of Birth (if an individual)

Residency: Country of Residence

Tel: Phone Number

Bus: Business Phone Number

Email: Email Address

The Buyer hereby offers to purchase the Property from **Soleado Ridge Development Ltd.**, P.O. Box 1420, 1000 Middy Valley Road, Merritt, British Columbia V1K 1B8 (the "Seller"), on the following terms, conditions and provisions:

PURCHASE PRICE AND TERMS

1. The purchase price (the "Purchase Price") for the Property is \$_____.
- 1.1 The Buyer shall on the Completion Date pay the Seller all applicable GST relating to the purchase of the Property in addition to the Purchase Price. "GST" means goods and services tax, harmonized sales tax, multi-stage tax, value added tax, or any similar tax, payable under applicable legislation in relation to the purchase and sale of the Property.
2. An initial deposit of \$_____ (the "Initial Deposit") shall be paid by the Buyer concurrently with the Buyer's offer as set out in this Agreement.

3. An additional deposit in the amount of \$ _____ (the "Additional Deposit" and, together with the Initial Deposit and any further deposits payable hereunder, the "Deposit") shall be paid by the Buyer on _____.

[NTD: Deposit cannot exceed 10% of Purchase Price until Financing Amendment and Preliminary Layout Review Amendment received by Buyer, see Schedule C]

4. The Deposit will be payable to and held by Nixon Wenger LLP, Lawyers, #301, 2706 - 30 Avenue, Vernon, British Columbia V1T 2B6 (the "Seller's Lawyers") in accordance with the terms hereof.

5. Included Items:

The Property is vacant, bare land and the Property is being sold as an unimproved bare land fee simple lot. The Buyer is solely responsible for all improvements to be constructed thereon.

The Buyer acknowledges having inspected the Development and the Property on the _____ day of _____, 20____.

6. Schedules A, B and C attached hereto constitute and form part of this Agreement.

7. Additional terms:

OFFER AND ACCEPTANCE

8. This offer is irrevocable and shall be open for acceptance by the Seller on or before noon on _____ after which time if not accepted or extended it shall be null and void and the Deposit will be returned to the Buyer. Acceptance of this offer shall be deemed to have been sufficiently made if this Agreement is executed by the Seller on or before such date. Once this Offer is accepted, the Buyer's agreement to the terms hereof shall be irrevocable notwithstanding any conditions or termination rights in favour of either or both parties and shall be deemed to be made under seal.

Dated this ____ day of _____, 20____.

Witness

Buyer

Buyer

(as to all signatures)

The Seller hereby accepts the above offer and agrees to complete this transaction in accordance with the terms of this Agreement.

Dated: _____, 20____.

Soleado Ridge Development Ltd.

Per: _____
Authorized Signatory

SCHEDULE A
Terms of Contract

1 DEPOSIT

- 1.1 The Deposit shall be held by the Seller's Lawyers in a non-interest bearing trust account and dealt with as follows:
- (a) If any conditions precedent in favour of either party are not waived or satisfied on or before the date specified in this Agreement, then the Deposit shall be returned to the Buyer.
 - (b) If the Buyer fails to fulfill any one or more of its obligations hereunder, the Deposit shall be absolutely forfeited to the Seller at the Seller's sole option on the account of the Seller's minimum damages suffered, without prejudice to such other remedies at law to which the Seller may be entitled by reason of such failure on the part of the Buyer.
 - (c) If the Seller fails or refuses to complete the sale of the Property to the Buyer in accordance with the provisions of this Agreement, then the Deposit shall be paid to the Buyer, the Buyer shall have no claims against the Seller, and this Agreement shall be terminated.
 - (d) Upon the completion of the purchase and sale of the Property, the Deposit shall be released to the Seller on account of the Purchase Price.

2 COMPLETION, POSSESSION AND ADJUSTMENT

- 2.1 The Buyer will pay the balance of the Purchase Price on the date (the "Original Completion Date") identified by the Seller or the Seller's Lawyers by written notice to the Buyer or the Buyer's lawyer, notary, or real estate agent, as a date on which a separate title for the Property will have been issued by the applicable land title office, provided that the Seller or the Seller's Lawyers will give not less than 10 days' notice of the Original Completion Date.
- 2.2 The notice of the Original Completion Date delivered to the Buyer may be based on the Seller's estimate as to when a separate title for the Property will have been issued and if on the Original Completion Date a separate title has not been issued, or the Seller reasonably expects that such item shall not be issued, then the Seller may extend the Original Completion Date from time to time as required by the Seller until a separate title for the Property has been issued, by notice of such extension to the Buyer, the Buyer's lawyer, notary, or real estate agent, provided that the Seller will give not less than 24 hours' notice of such extended Completion Date. The "Completion Date" is the Original Completion Date if the Original Completion Date is not extended or, if the Original Completion Date is extended pursuant to the terms hereof, the date to which it is so extended from time to time.
- 2.3 If the Completion Date has not occurred by the 180th day following the Original Completion Date (the "Outside Completion Date"), this Agreement may be terminated by either party unless the parties agree in writing to further extend. If this Agreement is terminated pursuant to this Section, this Agreement will be null and void, the Seller will repay the Deposit to the Buyer and there will be no further obligations as between the Seller and the Buyer.

2.4 The Buyer acknowledges that the Completion Date will be established by the Seller pursuant to this Section 2 notwithstanding that the estimated date for completion of construction of the Property as set out in the Disclosure Statement or any amendment thereto (the “**Estimated Construction Completion Date**”). The Buyer acknowledges that the Estimated Construction Completion Date is an estimate only and the actual Completion Date may vary based on time gained or lost during the construction process. For greater certainty, the Buyer acknowledges and agrees that the actual Completion Date as determined pursuant to this Section 2 may occur before, on, or after the Estimated Construction Completion Date. Without limiting the foregoing, the Buyer also hereby:

- (a) agrees to complete the purchase of the Property on the Completion Date as established under this Section 2 regardless of the amount of time between the Completion Date and the Estimated Construction Completion Date;
- (b) acknowledges and agrees that its decision to enter into and perform the terms of this Agreement is not predicated upon whether or not the actual Completion Date occurs before, at or after the Estimated Construction Completion Date; and
- (c) acknowledges and agrees that a Completion Date occurring before, at or after the Estimated Construction Completion Date will not affect the value, price, or use of the Property to the Buyer.

2.5 The Buyer shall obtain possession of the Property at 12:01 p.m. on the day following the Completion Date (the “**Possession Date**”). The Buyer will assume all taxes, rates, levies, assessments, local improvement assessments, utilities, water rates, and all other costs of or relating to the Property as of the Possession Date. Any adjustments to be made between the Seller and Buyer in respect of the Property for taxes, rates, assessments, utilities and other items usually adjusted on similar property shall be made as of 12:01 a.m. on the Possession Date (the “**Adjustment Date**”). The Buyer hereby acknowledges and agrees that there may not be individual municipal property tax notices issued in respect of the Property prior to the Completion Date and in such instance, the Buyer agrees that a share of such property taxes will be allocated to the Property as determined by the Seller acting reasonably and equitably and adjusted on closing.

2.6 The Buyer acknowledges that the boundaries and dimensions of the Property for the Development may differ upon registration of the Subdivision Plan of the Development from those depicted on the Preliminary Lot Layout Plan attached to the Disclosure Statement and that any dimensions or areas of the Property, any other lot in the Development contained in the Disclosure Statement or any marketing material for the Development is approximate only and subject to change. The Buyer agrees that so long as the Property upon the Completion Date is substantially as depicted in the Preliminary Lot Layout Plan attached to the Disclosure Statement that the Buyer shall accept the Property on the Completion Date and the Buyer will have no claim against the Seller in respect of the size, area, or configuration of the Property or Development.

3 CLOSING DOCUMENTS AND TITLE MATTERS

3.1 The Buyer shall prepare the documentation necessary to complete this transaction. The Buyer shall deliver to the Seller a Form A Freehold Transfer in registrable form together with a Statement of Adjustments and all other closing documents at least five days prior to the Completion Date. The Seller shall bear all costs of preparing and registering releases of any financial charges registered against the title to the Property.

- 3.2 Title to the Property will be conveyed to the Buyer on or before the Completion Date free and clear of all encumbrances except:
- (a) those conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant or in any other grant or disposition from the Crown;
 - (b) those registered restrictive covenants and rights of way in favour of utilities and public authorities, which encumber the Property as of the date of this Agreement;
 - (c) such covenants as are required by the City and other governmental authorities as a result of geotechnical, environmental and archeological reports obtained from qualified professionals;
 - (d) such other and further statutory rights of way and easements as are required for the provision of utilities to the Development and the Lots;
 - (e) such other charges as are required by the City and other governmental authorities in order to obtain all permits and approvals for the creation of the Lots and the completion of the Development;
 - (f) such other encumbrances and charges as are set out and described in or otherwise contemplated by the Disclosure Statement, including the proposed encumbrances described in Exhibit C of the Disclosure Statement, as the same may be amended from time to time,

(the “Permitted Encumbrances”).
- 3.3 If the Seller has financial encumbrances to be cleared from title, the Seller, while still required to clear such charges, may wait to discharge such financial encumbrances until immediately after receipt of the Purchase Price, but, in this event, the Buyer may pay the Purchase Price to the Seller’s lawyer or notary in trust, on undertakings to pay (if applicable) the amount owed to the lender as specified pursuant to a written payout statement, which payment shall be made on the condition that the holder of such encumbrance provide a registrable discharge of their encumbrance charging the Property within a reasonable time.
- 3.4 If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has:
- (a) made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage;
 - (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration; and
 - (c) made available to the Seller’s lawyer the undertaking of the Buyer’s lawyer as follows:
 - (i) that upon application being made for the registration of the transfer documentation and any new mortgage in the appropriate registry and upon completion of a satisfactory post-application for registration search of the title to the property indicating that the Buyer will, in the ordinary course of registry procedures, become the registered owner of the property free and clear of all charges, encumbrances and legal notations save and except the Permitted Encumbrances, any new mortgage and any existing charges which are to be discharged by the Seller, the Buyer’s lawyer will requisition the new mortgage proceeds and

upon receipt of such proceeds, disburse the funds in accordance with the approved Seller's statement of adjustments; and

- (ii) if the transaction does not complete for any reason whatsoever on the Completion Date, or if, for any reason, the Buyer's lawyer is unable to comply with its undertakings and disburse funds as aforesaid, it will return the transfer documentation to the Seller's lawyer, unused, forthwith upon demand or, alternatively, will make application to the appropriate registry to have the transfer, and new mortgage, withdrawn on demand and will return the transfer to the Seller's lawyer forthwith upon receipt.

4 RISK

- 4.1 The Property shall be at the Seller's risk up to and including the Completion Date and shall be at the Buyer's risk thereafter. In the event of loss or damage to the Property before risk passes to the Buyer, and in the event such a loss or damage occurs by reason of tempest, lightning, earthquake, flood, or other Act of God, fire or explosion, the Buyer may at its option cancel this Agreement whereupon it shall be entitled to the return of deposits paid under this Agreement and the parties shall have no liability to each other hereunder.

5 DISCLOSURE STATEMENT

- 5.1 The Buyer acknowledges that he, she or it has received a copy of the Disclosure Statement for the Development dated May 31, 2024, and all further amendments thereto, if any, filed up to the date hereof (collectively, the "Disclosure Statement") and, prior to entering into this Agreement, has been given a reasonable opportunity to read the Disclosure Statement and the execution by the Buyer of this Agreement will constitute a receipt in respect of the Disclosure Statement. If the Seller provided the Disclosure Statement (or any portion thereof) to the Buyer by electronic means including, without limitation, by email, the Buyer hereby confirms that he or she or it consented to such provision by electronic means. The Buyer hereby consents to the Seller providing the Buyer with any further amendment filed in respect of the Disclosure Statement by electronic means including, without limitation, by email. The Buyer must update his or her or its email address from time to time by written notice thereof to the Seller in accordance with Section 7.6, and the Buyer hereby irrevocably authorizes the Seller to deliver any amendment to the Disclosure Statement only to the most recent email address provided to the Seller. Delivery of any amendment to the Disclosure Statement by the Seller to the Buyer to any email address provided to the Seller before receipt by the Seller of notice (with the date of receipt to be determined in accordance with Section 7.6) of such updated email address will constitute full and adequate delivery and the Seller will not be under any obligation to deliver such amendment to such updated email address. The Buyer will, from time to time, forthwith upon receipt from the Seller of a copy of any such amendment to the Disclosure Statement, execute and deliver to the Seller a receipt, in a form to be provided by the Seller, pursuant to which the Buyer confirms that he or she or it has received a copy of such amendment to the Disclosure Statement. The Buyer acknowledges that the information in Section 7.2 of the Disclosure Statement regarding this Agreement has been drawn to the Buyer's attention.
- 5.2 The Buyer acknowledges the environmental matters disclosed about the Property under Section 4.6 of the Disclosure Statement and hereby releases the Developer, together with all directors, officers, shareholders, employees, representatives and agents of the Developer and their administrators, successors and assigns (collectively, the "Releasees") of and from any and all action, causes of action, claims, demands and damages which the Buyer has or may have against the Releasees relating to, directly or indirectly, any environmental and geotechnical matters relating to the Property.

6 CONSTRUCTION PROVISIONS

- 6.1 A construction site is an extremely dangerous place during the course of construction of the Development, and the Buyer acknowledges and agrees that the Buyer will not be entitled to have access to the Property prior to the Completion Date without the prior written permission of the Seller and then only if accompanied by a representative of the Seller. Any violation of the foregoing shall be deemed a material breach of the Agreement.
- 6.2 The Buyer shall be responsible for satisfying itself as to the conditions of the soil or subsoil of the Property including, without limitation, the environmental condition of the Property, it being understood and agreed that the Buyer is acquiring the Property on an "as is" basis in the condition it exists on the Completion Date.
- 6.3 The Buyer hereby releases the Seller and its directors, officers, employees, agents, contractors, representatives and those for whom the Seller is responsible at law, from and against any loss, cost, expense, liability, damage, injury or death resulting from any act or omission of the Seller or any such party, including that arising from the negligence of any such party, or any condition within the Development and agrees to indemnify and hold harmless each such party from and against any claim, action, demand or compensation by the Buyer or any party claiming by, through or under the Buyer, for or on account of any damages, loss or injury either to person or property, or both, resulting directly or indirectly from the Buyer's visits to and inspections of the Property and the Development however caused including, without limitation, any act or omission of the Seller and its directors, officers, employees, agents, contractors, representatives and those for whom the Seller is responsible for at law.
- 6.4 The Buyer acknowledges that he, she or it is purchasing the Property with full and complete awareness that, and unconditionally accepts and agrees that the Property forms a part of a development and, in that regard, there will be, from time to time, related construction, noise, dust and dirt tracks on roadways in proximity to the Property and throughout the Development and further subdivision from time to time of lands adjacent to or in proximity to the Property or the Development. The Buyer acknowledges that construction by the Seller on the lands in the vicinity of the Property may result in noise, dust, vibrations and other inconveniences to owners and occupiers of the Property. The Buyer agrees that, except to the extent such occurrences may constitute an offence or cause physical damage to the Property or physical injury to an occupier of the Property, the Buyer shall:
- (a) waive and release any and all claims against the Seller and its employees, agents and contractors; and
 - (b) require any prospective buyer or occupier of the Property to provide a waiver and release similar to that contained in this Section to the Seller, failing which the Buyer shall fully indemnify and save harmless the Seller and its directors, officers, employees, agents, contractors, representatives and those for whom the Seller is responsible for at law from and against all costs, losses, damages or claims arising by or through any buyer or occupier of the Property or any interest in the Property.

7 MISCELLANEOUS

- 7.1 **Binding Agreement:** Upon acceptance, this offer to purchase shall form a binding contract of sale and purchase subject only to the terms and conditions contained in this Agreement.

7.2 Time of the Essence: Time shall be of the essence of this Agreement and unless all payments on account of the Purchase Price, together with adjustments thereto as provided herein, and all other amounts payable herein are paid when due, then the Seller may, at its option:

- (a) Terminate this Agreement by written notice to the Buyer and, in such event, the Deposit and all accrued interest thereon, if any, will be forfeited to the Seller in accordance with Section 1.1(b) of this Schedule A; or
- (b) Elect to extend the Completion Date to a certain date determined by the Seller, time to remain of the essence hereof and subject to the Seller's right in its sole and unfettered discretion, to grant further extensions to a certain date each time, in which event the Buyer will pay to the Seller, in addition to the Purchase Price, interest on the unpaid portion of the Purchase Price and other unpaid amounts payable hereunder at the rate of two percent (2%) per month (24% per annum) compounded monthly not in advance, from and including the date upon which such portion and amounts were due to and including the date upon which such portion and amounts are paid.

The Seller, in its sole discretion, may cancel this Agreement pursuant to Section 7.2(a) above at any time after extending the Completion Date one or more times if the Buyer fails to complete the purchase and pay all amounts due hereunder on or before such extended Completion Date.

Should any extension of the Completion Date pursuant to Section 7.2(b) result in the Completion Date extending beyond the Outside Completion Date, the Outside Completion Date shall be deemed to be extended to the same date as the Completion Date, and shall not give the Buyer any rights to terminate this Agreement.

7.3 Entire Agreement: It is understood and agreed there are no other representations, warranties, guarantees, promises or agreements between the parties in relation to the Property other than those contained in this Agreement and this Agreement supersedes and replaces any and all prior discussions, agreements, and understandings between the parties with respect to the purchase and sale of the Property. No amendment to this Agreement shall be binding unless in writing and signed by the parties.

7.4 Enurement: This Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and assigns.

7.5 Payment: All amounts to be paid by the Buyer hereunder shall be paid by way of certified cheque, bank draft or lawyer's or notary's trust cheque.

7.6 Notice: Any notice, delivery or other communication in respect of this Agreement will be in writing unless otherwise provided herein. Any notice, delivery or other communication to the Seller will be addressed to the Seller at its address set out on the first page of this Agreement and be delivered by mail or fax or email. Any notice, delivery or other communication to the Buyer will be addressed to the Buyer at the Buyer's postal or email address or fax number set out on the first page of this Agreement or to the postal or email address or fax number of the Buyer's solicitors and may be delivered by personal delivery, mail, fax or email. The Buyer will notify the Seller of the name and address of the Buyer's solicitors (if not completed below) as soon as reasonably possible and in any event well in advance of the Completion Date. Provided they are sent to the email (Buyer only) or postal address or fax number stipulated herein for such party, notices, deliveries and other communications will be deemed to be

received: (a) on the date of receipt if delivered or sent by personal delivery, fax or email, or on the next business day if delivered or sent by personal delivery, fax or email on a day that is not a business day in British Columbia; or (b) three (3) business days after the date of mailing thereof. Either party may change its address for notices, deliveries and other communications by a written notice given in accordance with this provision. The Seller shall have no duty to further verify the currency of the postal or email address or fax number of the Buyer or the Buyer's solicitors, as provided in any such case by the Buyer and, unless the Buyer advises the Seller, in writing, of any change to the Buyer's or the Buyer's solicitors' postal or email address or fax number, all notices, deliveries or communications including, for certainty, delivery of notice of the Completion Date, shall be deemed to have been received by the Buyer in accordance with the provisions of this Section 7.6. **The Buyer acknowledges and agrees that the foregoing provisions will affect the timing of the Buyer's obligations to pay portions of the Deposit and to complete the transaction contemplated in this Agreement and the Buyer assumes all risk and liability associated with any failure to advise the Seller of any change in the Buyer's or the Buyer's solicitors' postal or email address or fax number.**

- 7.7 **Counterparts:** This Agreement may be executed and delivered in one or more counterparts, each of which will be an original, and each of which may be delivered by facsimile, email or other functionally equivalent electronic means of transmission, and those counterparts will together constitute one and the same instrument.
- 7.8 **Assignment:** The Buyer shall not be entitled, directly or indirectly, to assign its interest in this Agreement or direct the Developer to transfer title to the Lot to any third party without the prior written consent of the Developer, which may be given or withheld in the Developer's absolute discretion, and unless the Buyer gives the Developer and the Developer's solicitors not less than 10 days' prior written notice of such assignment. Such assignment will not release or discharge the Buyer from any of the Buyer's duties or obligations under this Agreement even if this Agreement is subsequently amended. Any assignment by the Buyer for which consent has been received from the Developer will only be effective upon the execution of an agreement by the assignee agreeing to be bound by this Agreement.
- 7.9 **Commission:** Any commissions payable to any realtor or broker retained by the Buyer shall be the sole responsibility of the Buyer.
- 7.10 **Survival:** The terms, representations, consents, and covenants of this Agreement will survive the completion of the purchase and sale of the Property and will not be merged in any document delivered pursuant to this Agreement.
- 7.11 **No Waiver:** No failure or delay on the part of any party in exercising any right under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right preclude any other or further exercise thereof or the exercise of any other right.
- 7.12 **Governing Law:** This Agreement shall be exclusively governed by and construed in accordance with the laws of British Columbia and of Canada applicable therein and the parties agree to attorn to the jurisdiction of the courts of British Columbia in respect of any matter arising in relation to this Agreement.
- 7.13 **Joint and Several:** All obligations of the Buyer under this Agreement will be the joint and several obligations of all persons comprising the Buyer.
- 7.14 **Further Assurances:** The parties hereto will do such further acts and execute and deliver such documents that may be necessary or desirable to carry out the terms of this Agreement.

- 7.15 **Invalidity.** If any one or more provisions of this Agreement is invalid, illegal or found to be unenforceable by a court of competent jurisdiction for any reason whatsoever, the unenforceability shall not affect the validity, legality or enforceability of the remaining provisions of this Agreement, and the unenforceable, illegal or invalid provision or provisions shall be severed from the remainder of the Agreement.
- 7.16 **No Interest in Land:** This offer and the Agreement which results from its acceptance creates contractual rights only and not any interest in land. The Buyer will acquire an interest in land only upon completion of the purchase and sale contemplated herein.
- 7.17 **Personal Information:** The Buyer hereby consents to the collection, use and disclosure by the Seller and any agent, salesperson, employee or representative of the Seller, the real estate boards of which those agents or salespersons are members and, if the Property is listed on the Multiple Listing Service, the real estate board that operates that Multiple Listing Service, of personal information about the Buyer:
- (a) for all purposes consistent with the transaction contemplated herein;
 - (b) if the Property is listed on a Multiple Listing Service, for the purpose of completion, retention and publication by the real estate board that operates the Multiple Listing Service and other real estate boards of any statistics including historical Multiple Listing Service dates for use by persons authorized to use the Multiple Listing Service of that real estate board and other real estate boards;
 - (c) for enforcing codes of professional conduct and ethics for members of real estate boards;
 - (d) for the purposes (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled Working with a Real Estate Agent;
 - (e) to complete the transaction contemplated by this Agreement;
 - (f) to invest the Deposit monies (if applicable), including providing the Personal Information to the Seller's financial institution(s) as required for reporting interest earned on the Deposit monies in accordance with all applicable laws;
 - (g) to facilitate the completion and management of the Development, including the transfer of management of the Development to a property manager;
 - (h) to comply with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and regulations, rules and policies thereunder or relating thereto, and other applicable laws;
 - (i) to comply with the *Freedom of Information and Privacy Act* (British Columbia) and regulations, rules and policies thereunder or relating thereto;
 - (j) to market, sell, provide and inform the Buyer of products and services of the Seller and its affiliates and partners, including information about future projects; and
 - (k) to disclose such Personal Information to the Seller's affiliates, assignees, business partners, bankers, lawyers, accountants and other advisors and consultants, and to any applicable governmental authority including the Canada Revenue Agency in furtherance of any of the foregoing purposes.

The Buyer also agrees to provide to the Seller, the Seller's agents and solicitors, promptly upon request, any additional personal information not contained herein that is required in order for such person to

comply with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* and regulations, rules and policies thereunder or relating thereto, and acknowledges that the foregoing consent applies to any such personal information. The Buyer covenants and agrees to provide and to cause any third parties to provide the Seller, the Seller's listing agent and the Seller's Solicitors with all of the information required to comply with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* and regulations, rules and policies thereunder or relating thereto. The Seller may in its sole discretion terminate this Agreement if the Seller has reasonable grounds to suspect that any part of the transaction contemplated by this Agreement is related to the commission or attempted commission of a "money laundering offence" or a "terrorist activity financing offence", as defined in the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and regulations under that Act, as amended from time to time. In the event of such termination, the Deposit paid shall be paid to the Buyer and the Buyer shall have no further claims against the Seller.

7.18 **Headings:** The captions appearing within the body of this Agreement have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope or meaning of this Agreement or of any provision hereof.

7.19 **Major Outside Event:** The parties agree that if:

(i) any earthquake, flood or other act of God, flood, fire, explosion or accident, howsoever caused, pandemic or other event beyond the reasonable control of the Seller, or

(ii) any condition discovered within the Development or in the vicinity of the Development, including, without limitation, any soil or environmental condition, or

(iii) any act or requirement of any governmental or regulatory authority or utility provider; or

(iv) strike, lockout, inability to obtain or delay in obtaining labour, supplies, materials or equipment, delay or failure by carriers or contractors, breakage or other casualty, climatic condition, interference of the Buyer, or

(v) any other factor or event of any nature whatsoever beyond the reasonable control of the Seller,

adversely affects, as determined by the Seller in its sole and unfettered discretion, the legal, logistical or economic feasibility of the completion of the Development or the performance of any of the Seller's obligations hereunder, then the Seller may at its option elect to:

(1) terminate this Agreement upon written notice to the Buyer, upon which the Seller will return to the Buyer the Deposit and any interest earned thereon, or

(2) extend any deadline for the completion of a covenant or obligation under this Agreement by the duration of the delay caused by (i), (ii), (iii), (iv) or (v) as aforesaid in this paragraph as reasonably estimated by the Seller which estimate may be updated and thus the extension period amended from time to time.

SCHEDULE B
Seller's Conditions

It is a condition precedent to the Seller's obligations hereunder that:

- (a) Title to the Property is raised at the Land Title Office on or before that date that is 24 months following the date this Agreement is fully executed and delivered by all parties;
- (b) The Seller obtains financing for the construction of the Development satisfactory to the Seller in its sole and unfettered discretion on or before the date that is 12 months following the filing of the Disclosure Statement dated May 31, 2024;
- (c) The Seller obtains a Preliminary Layout Review for the completion of the Development satisfactory to the Seller in its sole and unfettered discretion on or before the date that is 12 months following the filing of the Disclosure Statement dated May 31, 2024;
- (d) The Seller obtains all required approvals to complete the Development from governmental authorities, utility providers and others on or before that date that is 24 months following the date this Agreement is fully executed and delivered by all parties; and
- (e) There shall be no action or proceeding by any governmental authority, regulatory body or agency which prohibits the purchase and sale of the Lot contemplated by this Agreement or the right of the Purchaser to own the Lot, on the Completion Date.

Each of the foregoing conditions is for the sole benefit of the Seller and may be waived unilaterally by the Seller. In the event that any one or more of the foregoing conditions is not satisfied or waived on or before the stipulated date, this Agreement shall terminate, the Deposit shall be returned to the Buyer, and neither party shall have any further obligation to the other hereunder. In consideration of \$1.00 now paid by the Seller to the Buyer, which the Buyer hereby acknowledges receiving, the Buyer agrees not to revoke its agreements contained herein while any one or more of the above conditions remain outstanding and capable of being waived.

SCHEDULE C

Buyer Termination Rights re Financing Amendment and Preliminary Layout Review Amendment

The Seller intends to file with the Superintendent of Real Estate (the “**Superintendent**”) and deliver to the Buyer an amendment to the Disclosure Statement (the “**Preliminary Layout Review Amendment**”) that sets out particulars of an issued Preliminary Layout Review in respect of the Development and an amendment (the “**Financing Amendment**”) to the Disclosure Statement that sets out the particulars of a satisfactory financing commitment in respect of the Development, as contemplated in the Disclosure Statement. The Seller and Buyer agree that:

- (i) the Buyer may cancel this Agreement for a period of seven days after receipt of the Preliminary Layout Review Amendment if the layout or size of the Lot, or the general layout of the Development, is materially changed by the issuance of the Preliminary Layout Review;
- (ii) if the Preliminary Layout Review Amendment is not received by the Buyer within 12 months after the Disclosure Statement dated May 31, 2024 was filed with the Superintendent, the Buyer may at his or her option cancel this Agreement at any time after the end of the 12 month period until the Preliminary Layout Review Amendment is received by the Buyer, at which time the Buyer may cancel this Agreement for a period of seven days after receipt of the Preliminary Layout Review Amendment only if the layout or size of the Lot or the general layout of the Development, is materially changed by the issuance of the Preliminary Layout Review;
- (iii) if the Financing Amendment is not received by the Buyer within 12 months after the Disclosure Statement dated May 31, 2024 was filed with the Superintendent, the Buyer may at his or her option cancel this Agreement at any time after the end of the 12 month period until the Financing Amendment is received by the Buyer;
- (iv) the amount of the Deposit to be paid by the Buyer prior to receiving the Preliminary Layout Review Amendment and the Financing Amendment will be no more than 10% of the Purchase Price; and
- (v) all deposits paid by the Buyer, including interest earned if applicable, will be returned promptly to the Buyer upon notice of cancellation from the Buyer pursuant to this Schedule C.