

**MARINA ESTATES
LAKE KOOCANUSA, BC**

**DISCLOSURE STATEMENT
MARCH 10, 2021**

**DEVELOPER:
KV PROPERTIES INC.**

Business Address: PO Box 1799
Fernie, British Columbia V0B 1M0

Address for Service: c/o Reed Pope Law Corporation
202 – 1007 Fort Street
Victoria, British Columbia V8V 3K5

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

The Developer intends to market the Lots offered for sale under this Disclosure Statement using its own employees. The employees of the Developer are not licensed under the *Real Estate Services Act* and are not acting on behalf of the purchaser.

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.

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

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

LIST OF EXHIBITS

EXHIBIT A	Community Association's Constitution and Bylaws
EXHIBIT B	Community Association Rent Charge
EXHIBIT C	Excerpt of Zoning Bylaw: R-1B Zone
EXHIBIT D	Statutory Building Scheme
EXHIBIT E	Design Guidelines
EXHIBIT F	Purchase Agreement
EXHIBIT G	Summary of Legal Notations and Encumbrances
EXHIBIT H	Water Utility SRW
EXHIBIT I	Water Utility Rent Charge
EXHIBIT J	Sewer Utility SRW
EXHIBIT K	Sewer Utility Rent Charge
EXHIBIT L	Community's Subdivision Plan
EXHIBIT M	Parent Parcel's Subdivision Plan
EXHIBIT N	Preliminary Development's Subdivision Plan
EXHIBIT O	Community Association's Budget
EXHIBIT P	Access & Maintenance Easement
EXHIBIT Q	Geotechnical Covenant
EXHIBIT R	No Servicing Covenant
EXHIBIT S	No Build Covenant
EXHIBIT T	Irrigation Covenant
EXHIBIT U	Quality Assurance Report

TABLE OF CONTENTS

Title	1
Rescission Rights	2
List of Exhibits	3
Table of Contents	4
 1 DEVELOPER	 5
1.1 Developer Description	5
1.2 Developer's Purpose and Assets	5
1.3 Developer's Registered and Records Office	5
1.4 Developer's Directors	5
1.5 Background of Developer, Directors, Officers and Principal Holders of the Developer	5
1.6 Conflict of Interest	7
2 GENERAL DESCRIPTION	8
2.1 General Description of the Development	8
2.2 Permitted Use	10
2.3 Building Construction	11
3 SERVICING INFORMATION	13
3.1 Utility and Services	13
4 TITLE AND LEGAL MATTERS	15
4.1 Legal Description	15
4.2 Ownership	16
4.3 Existing Encumbrances and Legal Notations	17
4.4 Proposed Encumbrances	17
4.5 Outstanding or Contingent Litigation or Liabilities	19
4.6 Environmental Matters	19
5 CONSTRUCTION AND WARRANTIES	20
5.1 Construction Dates	20
5.2 Warranties	21
6 APPROVALS AND FINANCES	21
6.1 Development Approval	21
6.2 Construction Financing	21
7 MISCELLANEOUS	22
7.1 Deposits	22
7.2 Purchase Agreement	22
7.3 Developer's Commitments	25
7.4 Other Material Facts	26
SIGNATURES	27

1 DEVELOPER

1.1 Developer Description

The developer, **KV Properties Inc.** (Inc. No. BC1169034) (the “**Developer**”), is a British Columbia company that was incorporated on June 21, 2018.

1.2 Developer’s Purpose and Assets

The Developer was not incorporated specifically for the purpose of developing the Lots (as defined in section 2.1). The Developer has assets other than the Lots.

1.3 Developer’s Registered and Records Office

The registered and records office of the Developer is:

1361 7th Avenue
Box 1873
Fernie, BC V0B 1M0
Canada

1.4 Developer’s Directors

The directors of the Developer are:

Reto Barrington	Arthur Sombrowski
Todd Fyfe	Alun Williams
Chad Jensen	David Milne

1.5 Background of Developer, Directors, Officers and Principal Holders of the Developer

In accordance with Policy Statement No. 3 under the *Real Estate Development Marketing Act*, the Developer is required to provide certain disclosure respecting the previous 5 to 10 years.

To the best of the Developer’s knowledge:

- (a) **KV Properties Inc.**, the Developer, does not have any experience in the development industry other than its involvement with the Development, the Community to date, and the development known as “Marina Point.
- (b) **Reto Barrington**, a director of the Developer, has been involved in the real estate development industry for approximately 40 years, including the development of bare land lots, residential strata projects, retail shopping centres, and office building. Mr. Barrington’s experience includes all aspects of real estate development including land planning, zoning, finance, marketing, and construction. Mr. Barrington is a lawyer by training (currently non-practicing) and graduated from Dalhousie University with his law degree in 1979.

- (c) **Todd Fyfe**, a director of the Developer, has been involved in the real estate development industry in the Kootenay region of British Columbia for approximately 13 years as a licensed realtor. During that time, Mr. Fyfe has been involved in new and ongoing developments including bare land, single family, and multi-family developments.
- (d) **Chad Jensen**, a director of the Developer, has been involved in the real estate development industry for approximately 25 years. Mr. Chad Jensen joined his father Rick Jensen at New Dawn Developments Ltd. in 1996. Mr. Chad Jensen is the president and CEO of New Dawn Developments Ltd., which is headquartered in Cranbrook B.C. Under Mr. Chad Jensen's leadership, New Dawn Developments Ltd. has grown into one of the largest residential and commercial construction companies in the East Kootenay region. Mr. Chad Jensen was named British Columbia's Construction Person of the Year in 2011 and has been recognized with numerous individual and organizational awards across British Columbia.
- (e) **Arthur Sombrowski**, a director of the Developer, has been involved in property investment, property management and construction management since 1991. Mr. Sombrowski's experience relates to hotel, office, commercial rental, and apartment properties. Mr. Sombrowski's experience also includes overseeing property acquisition, property management, as well as new and renovation construction in relation to those properties. Mr. Sombrowski gained his experience in connection with properties owned by third parties as well as his family's group of holding and investment companies.
- (f) **Alun Williams**, a director of the Developer, has been involved in the real estate development industry for most of his life working mainly in the area of post frame construction for commercial, agricultural, and some residential projects across Western Canada. Mr. Williams has specialized in constructing and selling buildings across Western Canada for the past 16 years.
- (g) **David Milne**, a director of the Developer, has been involved in construction and development for almost 20 years, with projects in Alberta, British Columbia and the Caribbean. Mr. Milne's experience includes audit, budgeting, cost control and project finance in commercial, residential and industrial development. Mr. Milne holds CPA designations both in Canada and the United States.
- (h) Except as set out in this section, neither the Developer, any principal holder of the Developer, nor any director or officer of the Developer or principal holder, within the ten years before the date of the Developer's declaration attached to the Disclosure Statement, has been subject to any penalties or sanctions imposed by a court or regulatory authority, relating to the sale, lease, promotion, or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud.

As set out above, Mr. Fyfe is a licensed realtor with business dealings separate from his role as a director of the Developer. In 2020, Mr. Fyfe was subject to a damages award of approximately \$1.5M in connection with Mr. Fyfe's representation of a buyer of real estate in British Columbia. Mr. Fyfe has appealed the award. Mr. Fyfe was not subject to any disciplinary or other sanctions from the Real Estate Council of British Columbia. Mr. Fyfe remains a licensed realtor in good

standing with the Real Estate Council of British Columbia. If Mr. Fyfe's appeal is not successful, the award of damages will not negatively affect the Developer, the Development, or the Lots.

- (i) Neither the Developer, any principal holder of the Developer, nor any director or officer of the Developer or principal holder, within the five years before the date of the Developer's declaration attached to the Disclosure Statement, was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.
- (j) No director, officer or principal holder of the Developer, or any director or officer of the principal holder, within the five years prior to the date of the Developer's declaration attached to the Disclosure Statement, has been a director, officer or principal holder of any other developer that, while that person was acting in that capacity, that other developer:
 - (i) was subject to any penalties or sanctions imposed by a court or regulatory authority relating to the sale, lease, promotion or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud, or
 - (ii) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangements or compromises with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

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

1.6 Conflict of Interest

- (a) The Developer is developing land adjacent to the Development and within the Community (as defined in section 2.1).
- (b) The Water and Sewer Utilities (each as defined in section 3.1) are owned by the Developer.
- (c) 1213904 B.C. Ltd., a secured lender to the Developer, is not at "arm's length" with the Developer as there are mutual principals between this lender and the Developer.
- (d) Mr. Fyfe, a director of the Developer, is also a principal of a company which may purchase Lots from the Developer and construct residential homes on the Lots. Any homes constructed by this company will not be offered for sale under this Disclosure Statement.

Aside from the foregoing, the Developer is not aware of any other 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.

The Developer notes, however, that after completion of construction of the Development, the Developer (or any entity affiliated with the Developer) and its or their marketing agents may continue to carry out within the Development marketing and sales activities relating to the Development or the Community for such period as the Developer determines to be necessary or desirable.

2 GENERAL DESCRIPTION

2.1 General Description of the Development

(a) Location of the Development

The development known as “Marina Estates” (the “**Development**”) will be located adjacent to Lake Kootanusa with access by way of the Common Lot Road (as defined below) which is proximate to Marcer Road in the Regional District of East Kootenay (the “**Regional District**”), British Columbia. The Development will be located upon the lands described as “Lot B” in section 4.1 below. The civic address assigned to the Development or the Lots is subject to change by the Regional District or the Developer.

(b) General Description of the Lots

The Development is intended to consist of 21 subdivided and fully serviced lots (the “**Lots**”). Each Lot will be a separate legal title and will be owned individually by the purchaser(s) of the Lots. Each Lot also owns a proportionate 1/21 interest in “Lot 22” (as shown on the subdivision plan attached as **Exhibit N**) (the “**Common Lot Road**”).

Purchasers are advised as follows in respect of the Common Lot Road:

- (i) The Common Lot Road is not a dedicated road. The Access and Maintenance Easement (as defined below) attached as **Exhibit P** will grant the owners of Lots 1 – 21 access over the Common Lot Road and will require all owners of the Lots to contribute to the expense of maintaining the Common Lot Road equally in proportion to their ownership interest in the Common Lot Road.
- (ii) The No Servicing Covenant (as defined below) attached as **Exhibit R** prohibits the Common Lot Road from being serviced by utilities or used for any purpose other than road access.
- (iii) The No Build Covenant (as defined below) attached as **Exhibit S** prohibits the building of any structures other than a road and utility conduits on the Common Lot Road.

Further to section 4.4, the Developer reserves the right to modify the terms of the terms of the covenants set out above prior to the covenants being finally registered on title to the Lots or the Development.

The Developer is offering the unsold Lots 1 – 21 as shown on the subdivision plan attached as **Exhibit N** for sale under this Disclosure Statement.

(c) General Description of the Community

The Development is intended to form part of a larger master-planned development known as “Koocanusa Village” (the “**Community**”) that is controlled by the Developer.

The Community is intended to comprise separate developments consisting of fee simple subdivided lots, bare land strata lots, and areas to be dedicated as public roadways, all developed on the lands further described in section 4.1.

The Developer is involved with the following developments which are adjacent to the Development and form part of the Community:

- The development known as “Lakefront Estates” which is a bare land strata subdivision comprised of 122 bare land strata lots within Strata Plan EPS771. This development is completed and is not the subject of this Disclosure Statement.
- The development known as “Lakeview Terrace” which is currently a two phase development. The Developer is applying to have this development approved as a four phase, bare land strata subdivision comprised of 64 bare land strata lots in Phase 1, and another 23 bare land strata lots planned for Phases 2 to 4, all within Strata Plan EPS832. This development is not completed and is not the subject of this Disclosure Statement.

Reciprocal access easements were registered over “Lots 1 – 4” (as defined in section 4.1) under Easements CA2648356, CA2648358, CA2648359, CA2648357, in order to facilitate access through and the development of the Community. These access easements are further described in **Exhibit G**.

(d) Koocanusa Village Community Association

The Koocanusa Village Community Association (formerly called the Sweetwater Community Association) (the “**Community Association**”) was formed in part for the purpose of managing common areas, facilities, and access routes within the Community which are not otherwise the responsibility of local governments or the strata corporations which form part of the Community. The constitution and bylaws of the Community Association are attached as **Exhibit A**.

A rent charge in favour of the Community Association was registered over Lots 1 through 4 (as defined in section 4.1) to secure payment of the Community Association’s fees (the “**Community Association Rent Charge**”). The Community Association Rent Charge is attached as **Exhibit B**.

The Community Association Rent Charge will be registered on title to each Lot and will require the owner of each Lot to become a member of the Community Association and pay the Community Association’s fees in accordance with the annual budgets passed by the Community Association. The Community Association fees are intended to be used in furtherance of the Community Association’s purposes.

At present, there are no common areas, facilities or access routes which the Community

Association is responsible for maintaining. Accordingly, the Developer advises that the Community Association currently charges a nominal, annual Community Association fee to each member of the Community Association in accordance with the Community's Association's annual budget. The most recently approved Community Association's annual budget is attached as **Exhibit O**.

(e) Future Plans for the Community

The Developer may put in place further arrangements for access to amenities and cost sharing between owners of Lots in the Development and the owners of lands which form part of the Community, but the Developer makes no representation as to when or if such arrangements may be made.

The Developer reserves the right to vary the amenities or other commitments planned for the Community in its sole and absolute discretion. Purchasers should therefore make their decision to buy the Lots located within the Development based solely on the attributes of the Lots and the Development itself, and not based on any commitments or amenities that may or may not be constructed within the Community but outside of the legal boundaries of the Development.

2.2 Permitted Use

(a) Applicable Zoning

The zoning applicable to the Development is currently zoned R-1B (Single Family Residential – Medium Lot Zone) (the “R-1B Zone”) pursuant to the Regional District’s SweetWater Zoning & Floodplain Management Bylaw No. 2127, 2009 (the “**Zoning Bylaw**”). An excerpt of the R-1B Zone taken from the Zoning Bylaw is attached as **Exhibit C**.

The Developer is offering the unsold Lots 1 – 21 as shown on the subdivision plan attached as **Exhibit N** for sale under this Disclosure Statement.

The R-1B Zone only allows the following primary permitted use:

“Single Family Dwelling” which means a **building** containing one **dwelling unit** and may contain one **secondary suite** where permitted.

The R-1B Zone permits the following accessory uses:

(a) **“Home based business”** which means an occupation, service, or craft which is clearly accessory to the use of a **dwelling unit** used for residential purposes or residential use of a **parcel** on which a **dwelling unit** is located and includes:

- Professional office
- Health and social service
- Personal care business
- Business service
- Arts, crafts, and instructional service

- Trade business
- Computer and electronic service
- Bed and Breakfast

(b) ***“Secondary suite”*** which means an additional ***dwelling unit*** having a total floor space of not more than 90 m² nor 70 m² when located within a detached garage, and which is less than 40% of the habitable floor space of the building when contained within a ***single family dwelling***. It may not be located in a ***single family dwelling*** that is:

- a manufactured home
- an addition to a manufactured home
- an accessory dwelling unit in the P-2 zone

(c) Uses, ***buildings*** and ***structures accessory*** to a permitted use.

Bold and italicized terms in this section are as defined in the Zoning Bylaw.

The permissible use within the R-1B Zone intended by the Developer is ***“Single Family Dwelling”***. However, the Lots may be used for commercial purposes ancillary to residential purposes (as described above), and accordingly, there are other permissible uses of the Development beyond those intended by the Developer.

(b) Further Information on Zoning

The complete text of the Zoning Bylaw, and further information and details about zoning requirements and permissible uses applicable to the Development, can be obtained from the Regional District:

Address: Cranbrook (Main) Office
19 – 24th Avenue South
Cranbrook, BC V1C 3H8

Phone: 250-489-2791

Email: planningdept@rdek.bc.ca

Website: https://www.rdek.bc.ca/bylaws/ocp_zoning_landuse/

The contact information set out above is current as of the date of this Disclosure Statement. If a purchaser attempts and is unable to contact the Regional District using this contact information, or finds that this information is no longer accurate, the purchaser should contact the Regional District and ask to speak with someone regarding zoning.

2.3 Building Construction

(a) General Description of Construction Requirements

The Developer will provide fully graded, compacted, and approved sub-grade Lots suitable for foundation work to begin. The Lots will be fully serviced to the lot line of each Lot and ready for hookup to those utilities described in section 3.1.

(b) Purchaser's Responsibilities

Purchasers will be solely responsible for obtaining a building permit from the Regional District and constructing all other improvements on their Lot in accordance with the building permit, the Zoning Bylaw, the Statutory Building Scheme (as defined below), and the Purchase Agreement (as defined in section 7.2) entered into between purchasers and the Developer, and any other charges registered on title to their Lot.

(c) Statutory Building Scheme

Purchasers will be required to construct improvements on their Lot in accordance with the requirements of a statutory building scheme registered against title to their Lot (the "**Statutory Building Scheme**"). The Developer intends to register the Statutory Building Scheme substantially in the form attached as **Exhibit D**.

The Statutory Building Scheme will ensure compatible design elements within the Development and will also include restrictions with respect to building materials, finishes, and colour, grading, driveways, garages, roof design, windows, lighting, landscaping, retaining walls, swimming pools, and fencing.

Prior to commencement of construction of any improvements on a Lot, each purchaser must submit plans and specifications to the "Design Review Coordinator" (being the Developer, or the Developer's agent) under the Statutory Building Scheme for review and approval.

The Developer reserves the right to vary or exempt the restrictions set out in the Statutory Building Scheme for some or all of the Lots which have not yet been sold by the Developer.

(d) Design Guidelines

Together with the Statutory Building Scheme, purchasers will be required to comply with the design guidelines established by the Developer from time to time (the "**Design Guidelines**"). The current form of the Design Guidelines is attached as **Exhibit E**.

The Design Guidelines set out the process each purchaser must follow in order to have their plans and specifications approved by the Design Review Coordinator.

Purchasers will be required to pay to the Design Review Coordinator a design review fee of \$1,250.00 at the time the Purchaser submits their plans and specifications for approval. The design review fee will cover the cost of the Design Review Coordinator performing one review and providing feedback on the initial plans and specifications submitted for approval. If the initial plans and specifications do not conform with the Building Scheme and the Design Guidelines, the Design Review Coordinator may charge an hourly rate (based on industry standard rates) for further review of subsequent plans and specifications submitted for approval.

(e) Purchase Agreement

The Purchase Agreement contains provisions related to the Statutory Building Scheme, the Design Guidelines, and other construction requirements purchasers will be responsible for. Purchasers are advised to review section 7 of the Disclosure Statement and Schedule F to the Purchase Agreement, which is attached as **Exhibit F**.

(f) Other Requirements

Purchasers will have to comply with all legal notations and charges registered on title to their Lot when designing and constructing their home. Purchasers are advised to review sections 4.3 and 4.4, and **Exhibit G**.

3 SERVICING INFORMATION

3.1 Utility and Services

(a) General Description of Utilities and Services

The Development and the Lots will be serviced by the utilities and services set out in this section. The Water Utility (as defined below) and the Sewer Utility (as defined below) currently charge a total of \$4,500.00 in hookup fees to connect water and sewerage services to a purchaser's Lot. The hookup fees are subject to change at the discretion of the Water Utility and the Sewer Utility. Purchasers are advised to confirm the current hookup fees currently in effect directly with the Water Utility and Sewer Utility.

(b) General Description of Water Service

The Lots will be connected to a private domestic water system owned and operated by 0938534 B.C. Ltd. (the "**Water Utility**"). Application for a Certificate of Public Convenience and Necessity (the "**CPCN**") for the Development has been made by the engineer of record for the Water Utility. The Water Utility will obtain the CPCN for the Development prior to the Developer registering the subdivision plan raising title to the Lots in the Development (see section 4.1(b) for further information on the subdivision plan for the Development). The Water Utility is owned by the Developer.

Title to each Lot will be burdened by a statutory right of way and rent charge in favour of the Water Utility substantially in the forms attached as **Exhibit H** (the "**Water Utility SRW**") and **Exhibit I** (the "**Water Utility Rent Charge**") respectively. The Developer reserves the right to change the form of the Water Utility SRW and Water Utility Rent Charge prior to the registration against title to the Lots as may be required by the Water Utility.

The Developer will provide a connection to the water system up to the lot line of each Lot (the "**Water Service**").

Each purchaser will be responsible for all costs incurred in connecting their Lot to the Water Service including payment of a standby fee and connection fee charged by the Water Utility. Domestic water supplied to each Lot may be separately metered, billed to, and shall be the responsible of the Lot owner.

(c) *Estimated Completion Date of Water Service*

The Developer presently anticipates completing the Water Service on or before June 30, 2021, but in any event will complete the Water Service prior to the completion of the purchase and sale of the Lots to purchasers.

(d) *Electricity*

The Developer will provide domestic power to the lot line of each Lot. Domestic Power will be provided by B.C. Hydro. Each purchaser will be responsible for obtaining any required permits and will be responsible for all costs incurred in connecting their Lot to domestic power provided by B.C. Hydro including any connection fees charged by B.C. Hydro. All domestic power supplied to the Lots will be provided by underground servicing. Domestic power supplied to each Lot will be separately metered, billed to, and shall be the responsibility of the Lot Owner. Purchasers are advised to see sections 7.2(i) and 7.3 of the Disclosure Statement for further information about the Developer's commitments in connection with providing domestic power to the Lots.

(e) *General Description of Sewerage Service*

The Lots will be connected to a private sewerage system owned and operated by 0938522 B.C. Ltd. (the "**Sewer Utility**"). The Sewer Utility has obtained a Municipal Wastewater Regulation ("**MWR**") which was issued on July 13, 2012 under Registration No. 105466. The MWR has sufficient capacity to service the Development. The Sewer Utility is owned by the Developer.

Title to each Lot will be burdened by a statutory right of way and rent charge over each of the Lots in favour of the Sewer Utility substantially in the forms attached as **Exhibit J** (the "**Sewer Utility SRW**") and **Exhibit K** (the "**Sewer Utility Rent Charge**") respectively. The Developer reserves the right to change the form of the Sewer Utility SRW and Sewer Utility Rent Charge prior to the registration against title to the Lots as may be required by the Water Utility.

The Developer will provide a connection to the sewerage system up to the lot line of each Lot (the "**Sewerage Service**"). Each purchaser will be responsible for all costs incurred in connecting their Lot to the Sewerage Service including all costs incurred to ensure the flow of sewerage into the collection lines (which may vary by Lot depending on the depth of the basement excavation of the Lot in question) and payment of a standby fee and connection fee charged by the Sewer Utility. Sewerage Service supplied to each Lot will be separately metered, billed to, and the responsible of the Lot owner.

(f) *Estimated Completion Date of Sewerage Service*

The Developer presently anticipates completing the Sewer Service on or before June 30, 2021 but in any event will complete the Sewer Service prior to the completion of the purchase and sale of the Lots to purchasers.

(g) Natural Gas

The Development is not serviced by natural gas.

The Sewer SRW will allow the Sewer Utility to install propane distribution lines within the Sewer SRW area in order to service the Development with natural gas in the future.

The Developer or the Sewer Utility may create a propane tank farm on lands proximate to the Development in the future. The Developer makes no representation as to when or if such propane distribution lines or propane tank farm may be constructed.

(h) Fire Protection

The Development is outside of established fire protection boundaries for local fire departments. If fire protection were expanded in the future, fire protection may be provided by volunteer fire departments in the nearby communities of Baynes Lake (located approximately 20 kilometres from the Development) or Jaffray (located approximately 34 kilometres from the Development).

The Developer makes no representation as to when or if such expanded fire protection service may be provided.

(i) Telephone

The Development is not currently serviced by telecommunication services (hard line phone or internet).

The Sewer SRW will allow telecommunication infrastructure to be installed within the Sewer SRW area in order to service the Development with telecommunication services in the future. The Developer makes no representation as to when or if such telecommunication service may be provided.

(j) Access

Access to the Development is provided by way of Common Lot Road over that area shown as Lot 22 on the Development's Subdivision Plan (as defined in section 4.1) attached as Exhibit N.

4 TITLE AND LEGAL MATTERS**4.1 Legal Description**(a) Legal Description of Parent Parcels to the Community and the Development

Attached as **Exhibit L** is the subdivision plan (the "**Community's Subdivision Plan**") which has been registered over Lot 2, District Lot 10348, Kootenay District, Plan 8226 (the "**Community's Parent Parcel**") and which shows the following parcels which the Developer presently intends will form the parent parcels to development projects within the Community:

Lot 1, Plan EPP14443 ("**Lot 1**")
 Lot 2, Plan EPP14443 ("**Lot 2**")
 Lot 3, Plan EPP14443 ("**Lot 3**")
 Lot 4, Plan EPP14443 ("**Lot 4**")

(collectively, "**Lots 1 – 4**")

Attached as **Exhibit M** is the subdivision plan (the "**Parent Parcel's Subdivision Plan**") which the Developer has registered over the lands set out below in order to create "Lots A – D" as shown on the Parent Parcel's Subdivision Plan:

Part of Lot 2 District Lot 10348 Kootenay District Plan EPP14443,
 Part of District Lot 10348 Kootenay District, and
 Unsurveyed Crown Land Kootenay District

(b) Legal Description of Lots

Attached as **Exhibit N** is the preliminary subdivision plan (the "**Preliminary Development's Subdivision Plan**") which the Developer intends to register over part of "**Lot B**" (as shown on the Parent Parcel Subdivision Plan) in order to create the Lots which are the subject of this Disclosure Statement.

The legal description of Lot B is:

Lot B District Lot, 10348 Kootenay District Plan EPP101154

(the "**Lands**").

Once the Developer registers the final subdivision plan over Lot B, the Lots created thereby are expected to have the following legal descriptions:

PID: [specific to each Lot]
 Lot 1 – 21, District Lot 10348 Kootenay District Plan EPP109367 and an undivided 1/21st Share in Lot 22 District Lot 10348 Kootenay District Plan EPP109367 (see plan as to limited access)

4.2 Ownership

(a) General Description of Ownership of Development Property

The Developer is the registered owner of the Lands and will be the registered owner of the Lots once title to the Lots is created through the subdivision described in section 4.1.

4.3 Existing Encumbrances and Legal Notations

(a) General Description of Legal Notations and Encumbrances

The following legal notations and encumbrances are presently registered or pending against title to the Lands and, unless otherwise indicated, will remain registered against title to the Lands or the Lots:

(i) *Legal Notations*

1. See **Exhibit G** for a summary of legal notations that are registered against title to the Lands.

(ii) *Registered Encumbrances*

1. See **Exhibit G** for a summary of encumbrances that are registered against title to the Lands.

(iii) *Discharge of Certain Registered Encumbrances*

1. The Developer will obtain from 1213904 B.C. Ltd. a partial discharge of Mortgage CA7663643 and Assignment of Rents CA7663644 insofar as they pertain to any particular Lot, prior to, or within a reasonable time following completion of the sale of such Lot upon receipt by 1213904 B.C. Ltd. of a specified or predetermined amount from the proceeds of the sale of such Lot in the ordinary course.
2. The Developer will also obtain a partial discharge of any Construction Security (as defined in section 6.2 in the manner set out in section 6.2).

4.4 Proposed Encumbrances

(a) General Description of Proposed Encumbrances

In addition to the encumbrances listed in section 4.3, the Developer may register against the title to the Lands or the Lots:

- (i) statutory rights of way, section 219 covenants, easements, restrictive covenants, dedications, or other rights or restrictions required by the Regional District (or any other applicable governmental authority) in connection with the approval of all development, building and occupancy permits in relation to the Lands or the development thereof, or in connection with the subdivisions creating the Lots;
- (ii) statutory rights of way, section 219 covenants, easements, restrictive covenants, dedications, or other rights or restrictions required by the Regional District (any other applicable governmental authority), the Water Utility, the Sewer Utility, and other public or private utilities in relation to the Lands, or the development thereof, or in connection with the subdivisions creating the Lots;

- (iii) the Water Utility SRW and Water Utility Rent Charge (see section 3.1 and **Exhibit H** and **Exhibit I**);
- (iv) the Sewer Utility SRW and Sewer Utility Rent Charge (see section 3.1 and **Exhibit J** and **Exhibit K**);
- (v) the Statutory Building Scheme (see section 2.3 and **Exhibits D**);
- (vi) the Geotechnical Covenant (as defined in section 4.6 and see **Exhibit Q**);
- (vii) the Community Association Rent Charge (see section 2.1 and **Exhibit B**);
- (viii) an access easement over the Common Lot Road substantially in the form attached as **Exhibit P** (the “**Access and Maintenance Easement**”);

This easement will grant the owners of Lots 1 – 21 access over the Common Lot Road and will require all owners of the Lots to contribute to the expense of maintaining the Common Lot Road equally in proportion to their ownership interest in the Common Lot Road.

- (ix) a restrictive covenant substantially in the form attached as **Exhibit R** (the “**No Servicing Covenant**”);

This covenant will restrict the Common Lot Road from being serviced by utilities or used for any other purpose other than road access and utility conduits.

- (x) a restrictive covenant substantially in the form attached as **Exhibit S** (the “**No Build Covenant**”);

The covenant will restrict any improvements being constructed on the Common Lot Road other than those required for road access and utility conduits.

- (xi) a restrictive covenant substantially in the form attached as **Exhibit T** (the “**Irrigation Covenant**”);

The covenant will restrict water use on Lots 1 – 21 to no more than 325 imperial gallons per Lot per day for water supplied by the Water Utility.

- (xii) the Construction Security.

The Developer may make amendments to, or modifications or replacements of, some or all of the legal notations and encumbrances described in sections 4.3 and 4.4.

The Developer may also accept other grants of easements, restrictive covenants or other rights or charges over adjacent lands for the benefit of the Lands or the Lots.

4.5 Outstanding or Contingent Litigation or Liabilities

The Developer is not aware of any outstanding or contingent litigation or liabilities in respect of the development property or the Developer that may affect the Development, the Lots or the owners of the Lots.

4.6 Environmental Matters

(a) Geotechnical Covenant

An Initial Geotechnical Assessment Report dated October 18th, 2018 and authored by McElhanney Consulting Service Ltd. (the “**Geotechnical Engineer**”) as report #2441-00788-00 (the “**Initial Geotech Report**”) concluded that there are three types of land within the study area (which included the Development and the Community):

1. Class A Lands – able to be developed without geotechnical review;
2. Class B Lands – able to be developed with further study by a geotechnical engineer and positive report detailing an appropriate mitigation plan; and
3. Class C Lands – not able to be developed.

The Initial Geotechnical Report is attached as a schedule to the geotechnical covenant attached as **Exhibit Q** (the “**Geotechnical Covenant**”).

In accordance with the Initial Geotechnical Report, the Developer has completed remediation of the lands which will form part of Lots 17 – 20 inclusive in the Development and the Geotechnical Engineer has prepared a quality assurance report dated February 8, 2021 as report #2441-00797-01 (the “**Quality Assurance Report**”) in connection with the remediation work performed by the Developer. The QA Report confirms that Lots 17 – 20 are safe to build on provided certain recommendations are followed in connection with the foundations for buildings on these lots, as set out on pages 4 and 5 of the Quality Assurance Report. The Quality Assurance Report is attached as **Exhibit U**.

The Developer is working with the Minister of Transportation and Infrastructure (“**MOTI**”) to have the Geotech Covenant removed from title to proposed Lots 17 – 20. However, MOTI may require the Geotechnical Covenant to be modified to reference the Quality Assurance Report, or otherwise remain on title to the Lots. In the event the Geotechnical Covenant is not released from the Lots or is otherwise modified or replaced, the Geotechnical Covenant (as modified or replaced) will be a permitted encumbrance on title to the Lot being purchased.

5 CONSTRUCTION AND WARRANTIES

5.1 Construction Dates

(a) Estimated Date Range for Commencement and Completion of Construction

The current Commencement and Completion of Construction date for the Lots are set out in the following table:

Actual Date of Commencement of Construction	Estimated Date Range for Commencement of Construction	Actual Date of Completion of Construction	Estimated Date Range for Completion of Construction
December 1, 2020	N/A	N/A	May 1, 2021 to July 31, 2021

The foregoing Estimated Date Ranges for the Commencement and Completion of Construction are estimates only, may vary, and are subject to the provisions of the Purchase Agreement entered into by a purchaser.

In particular, depending on governmental approvals, labour and construction schedules, financing arrangements, market conditions and other factors, the Developer may advance the Estimated Date Ranges for the Commencement or Completion of Construction to earlier dates, or delay the Estimated Date Ranges for the Commencement or Completion of Construction to later dates (or any combination of the foregoing from time to time).

(b) Closing Date for Purchase of a Lot

The Estimated Date Range for the Completion of Construction set out above should not be relied upon by purchasers of Lots for determining the closing date of their purchases. The closing date for the sale and purchase of each Lot will be determined in accordance with the Purchase Agreement entered into by the purchaser in respect of such Lot (as described more particularly in section 7) and such closing date may occur sooner or later than the Estimated Date Ranges for the Completion of Construction set out above.

(c) Defined Terms

For the purposes of this section 5.1, the following terms have the following meanings:

- (i) **“Commencement of Construction”** means the date of commencement of excavation in respect of construction of an improvement that will become part of a Lot within the Development, and where there is no excavation it means the date of commencement of construction of improvement that will become part of a Lot within the Development.
- (ii) **“Completion of Construction”** means the date the subdivision plan is deposited in a land title office raising title to the Lots.
- (iii) **“Estimated Date Range”** means a date range, not exceeding three months, for the Commencement of Construction or the Completion of Construction.

5.2 Warranties

The Developer will not provide any construction or other warranties with respect to the Lots.

6 APPROVALS AND FINANCES

6.1 Development Approval

(a) Preliminary Layout Review

The subdivision plan creating title to the Lots has not yet been deposited in the land title office by the Developer. As set out in section 4.1, the Developer will register a final subdivision plan over “Lot B” in order to create the Lots.

The Developer has obtained from the Approving Officer for the Regional District a Preliminary Layout Review in respect of the Preliminary Development’s Subdivision Plan, dated as of February 8, 2021 which provides preliminary approval of the subdivisions proposed by the Developer.

6.2 Construction Financing

(a) Construction Financing

The Developer has obtained a satisfactory financing commitment for construction financing (the “**Construction Financing**”) for the Development sufficient to construct the Development including all utilities and other services associated with the Development from 1213904 B.C. Ltd. and may obtain alternative construction financing from lenders other than or in addition to 1213904 B.C. Ltd. (collectively, the “**Construction Lenders**”).

(b) Construction Security

In addition to the encumbrances set out in sections 4.3, 4.4 and **Exhibit G**, title to the Lands and the Lots may be subject to mortgages and assignments of rent and/or any other security (collectively, the “**Construction Security**”) which is reasonably required by the Construction Lenders, from time to time, in connection with the Construction Financing.

Each Construction Lender will provide a partial discharge of their respective Construction Security, insofar as it pertains to any particular Lot, within a reasonable period of time after the completion of the sale of such Lot, upon receipt by the respective Construction Lender of a specified or predetermined amount from the proceeds of the sale of such Lot in the ordinary course.

7 MISCELLANEOUS

7.1 Deposits

(a) Trustee Holding Deposits

Except as otherwise provided in this section 7.1, where required under the *Real Estate Development Marketing Act* (British Columbia), all deposits and other monies received from a purchaser of a Lot will be held by the Developer's lawyers, Leffler Law Office, in trust in the manner required by the *Real Estate Development Marketing Act* (British Columbia) until such time as:

- (i) the subdivision plan creating title to the Lot is deposited in the Land Title Office; and
- (ii) an instrument evidencing the interest of the purchaser in the Lot has been filed for registration in the Land Title Office.

7.2 Purchase Agreement

(a) Developer's Form of Purchase Agreement

The Developer will use a contract of purchase and sale substantially in the form attached as **Exhibit F** (the "**Purchase Agreement**").

Purchasers may have additional opportunities at the time of purchase to include certain further amendments to the Purchase Agreement to deal with particular matters between the Developer and the Purchaser. The Developer also notes that:

- (i) Unless otherwise defined in this Disclosure Statement, each capitalized term used in this Section 7.2 will have the meaning given to it in the Purchase Agreement.
- (ii) The information set out in this Section 7.2 is a summary of certain provisions contained in the Purchase Agreement. Purchasers are recommended to review **Exhibit F** in its entirety.

(c) Termination Provisions

Section 1.4 of the Offer provides:

Completion Date. The Buyer acknowledges that the Completion Date will be set by the Seller in accordance with section 2 of **Schedule A**. The Seller presently anticipates the Completion Date will occur between May 1, 2021 to July 31, 2021, however, these are estimates only and the Seller does not guarantee the Completion Date will occur within those dates. In no event will the Completion Date occur later than two (2) years from the date the Seller accepts this Offer (the "**Outside Completion Date**") unless otherwise agreed to in writing by the Buyer and Seller.

Section 5 of Schedule A of the Purchase Agreement provides:

Outside Completion Date. Notwithstanding sections 2, 3 and 4, if the Completion Date has not occurred prior to the Outside Completion Date, and the Buyer and Seller have not entered into a written addendum extending the Outside Completion Date, then this Agreement will be null and void, whereupon the Buyer will be entitled to repayment of the Deposit and neither party will have any claim against the other party under or in respect of this Agreement.

Section 12 of the Schedule A of the Purchase Agreement provides:

Time of the Essence. Time will be of the essence in this Agreement. The Buyer acknowledges and agrees that unless all payments on account of the Purchase Price, together with all adjustments and other amounts payable by the Buyer to the Seller are paid when due, the Seller may immediately terminate this Agreement and in such event the Deposit will be immediately and absolutely forfeited to the Seller on account of damages without prejudice to the Seller's other remedies including a claim for additional damages. The Buyer acknowledges and agrees that in such event the Deposit represents earnest money, and is not in the nature of a penalty and the Buyer hereby irrevocably authorizes and directs the Seller's Lawyer and any lawyers, notaries public, or real estate agents holding any such Deposit to forthwith upon the request of the Seller deliver such Deposit to the Seller in the event the Buyer defaults on its obligations as contemplated under this section.

(e) Extension Provisions

Sections 2, 3, and 4 of the Schedule A of the Purchase Agreement provide:

Completion Date. The Seller will give the Buyer written notice in accordance with section 23 below (the "**Closing Notice**") of the date the Seller expects both that the Property will be capable of being occupied and that a transfer of the Property to the Buyer can be registered at the applicable Land Title Office (the "**Completion Date**"). The Completion Date will be at least 14 days after the Closing Notice has been delivered to the Buyer. Subject to the operation of sections 3 and 4, the completion of the purchase and sale of the Property will take place on the Completion Date. In the event the applicable Land Title Office is closed on the Completion Date, the Completion Date will be extended to the next day a transfer of the Property to the Buyer can be registered in the applicable Land Title Office.

Occupancy. If the Property is not capable of being conveyed on the Completion Date, then the Seller may delay the Completion Date set out in section 2, as may also be extended by section 4, from time to time as required by the Seller until the Property is capable of being conveyed by providing the Buyer, or the lawyer or notary public appointed to represent the Buyer (the "**Buyer's Lawyers**"), with at least 24 hours notice of such delay and the new Completion Date. Whether the Property is capable of being conveyed refers to the Property only and not to any other lot within the Development.

Delay. If the Seller is delayed in completing the servicing of the Development, registering the subdivision plan creating title to the Property, or in performing any other obligation under this Agreement by (a) reason of unforeseen circumstances including earthquake, fire, explosion, accident, act of any government authority, strike, lockout, inability to obtain or delay in obtaining any labour, materials or equipment, flood, act of God, delay or failure by carriers or contractors, climatic conditions, or (b) by any other reason or circumstance beyond the exclusive control of the Seller, then the time within which the Seller must do anything in connection with this Agreement, and the Completion Date established in accordance with sections 2 and 3, will be extended by the period equivalent to the period of such delay as set out in written notice from the Seller to the Buyer, which notice will include the new extended Completion Date. For greater clarity, delays in connection with public health declarations, COVID-19 quarantine order, government agency slowdown or closures, and similar events are deemed to be circumstances beyond the exclusive control of the Seller.

(f) Assignment Provisions

Sections 21 and 22 of Schedule A of the Purchase Agreement provide:

Assignment. The Buyer may only assign their interest in the Property or their rights under this Agreement or direct the transfer of the Property to another or an additional party (each an “**Assignment**”) in accordance with all of the following: (a) the Assignment must occur on or before a date that is at least thirty (30) days prior to the Completion Date; (b) the Buyer has paid the Deposit in accordance with this Agreement on or before the date of the Assignment; (c) the Seller’s form of assignment agreement is used; (d) the Seller will be entitled to any profit resulting from an Assignment of this Agreement by the Buyer (and any subsequent assignee); and (e) the Buyer has obtained the Seller’s written consent to the Assignment, which consent may be unreasonably withheld or subject to further conditions as determined by the Seller in its sole discretion. If the conditions set out in this section are not satisfied then the Seller will not be required to convey the Property on the Completion Date to anyone other than the Buyer named herein. In no event will an Assignment release or discharge the Buyer from any of their obligations or liabilities to the Seller under this Agreement.

No Advertising. The Buyer will not advertise or solicit offers from the public with respect to the assignment or resale of the Property or the Buyer’s rights under this Agreement prior to the Completion Date without the prior written consent of the Seller, which consent may be unreasonably withheld.

(g) Deposit Interest Provisions

Section 1 of Schedule A of the Purchase Agreement provides:

Deposit. The Buyer will pay the Initial Deposit to **Leffler Law Office, in trust** forthwith upon execution of this Agreement by the Buyer. The Initial Deposit, and the balance of the Deposit, will be made by way of a cheque, certified cheque, or bank draft payable to **Leffler Law Office, in trust**. No interest on the Deposit will be paid or payable to the Buyer. In the event that the Seller fails to complete this transaction on the Completion

Date then the Deposit will be refunded forthwith to the Buyer in full satisfaction of any claims the Buyer may have against the Seller.

(h) Statutory Building Scheme and Design Guidelines

Schedule F of the Purchase Agreement contains many provisions dealing with the Statutory Building Scheme, the Design Guidelines, the fees payable by purchasers to the Design Review Coordinator to have their plans and specifications reviewed and approved, and other construction requirements. Purchasers are advised to review Schedule F of the Purchase Agreement in its entirety.

(i) Connection to Domestic Power and Closing Arrangements

Section 33 of the Purchase Agreement permits the Developer to require purchasers to close on the purchase and sale of their Lot in the event B.C. Hydro has not completed the work required to provide domestic electricity to the Lot as provided in section 3.1(d) of the Disclosure Statement provided the Developer has taken certain steps and provided the Buyer will be entitled to retain a \$20,000.00 holdback from the purchase price on closing (collectively, the “**Domestic Power Holdback**”).

Section 33 provides:

Domestic Power Holdback. In the event B.C. Hydro has not completed the work required to provide domestic power to the lot line of the Property (the “**B.C. Hydro Work**”) on or before the Completion Date, the Seller may require the Buyer to complete the purchase and sale of the Property on the Completion Date provided that: (a) the Developer has paid all required design fees to B.C. Hydro to have the plans and specifications for the B.C. Hydro Work approved by B.C. Hydro, (b) all site preparation work within the Development required for the B.C. Hydro Work to proceed has been completed, and (c) the Buyer will be permitted to retain a holdback of \$20,000.00 from the Purchase Price (the “**Domestic Power Holdback**”) until the earlier of (i) completion of the B.C. Hydro work and (ii) 120 calendar days from the Completion Date. In the event (i) occurs, the Holdback will be promptly released to the Seller. In the event (ii) occurs, the Holdback will be promptly released to the Buyer in full satisfaction of any claims the Buyer may have against the Seller in connection with the B.C. Hydro Work and the Buyer will be permitted to complete the B.C. Hydro Work at their cost. The Holdback will be held in the Buyer’s lawyer’s trust account until released in accordance with the foregoing.

7.3 Developer’s Commitments

Other than as set out below, there are no commitments made by the Developer that will be completed after the sale of the Strata Lots.

(a) Connection to Domestic Power

At the Developer’s election, Purchases may be required to close the purchase and sale of their Lot prior to domestic power being available up to the lot line of their Lot. In

order for the Developer to make this election, it must have satisfied the conditions set out in section 33 of the Purchase Agreement (see section 7.2(i) above) and the Buyer will be permitted to retain the Domestic Power Holdback. In the event the Developer elects to do so, the Developer will work with B.C. Hydro to ensure domestic power is provided to the Lots as set out in section 3.1(d) of the Disclosure Statement (the “**Domestic Power Commitment**”). The Developer has not placed any security in connection with the Domestic Power Commitment however, purchasers will be entitled to the Domestic Power Holdback on closing (see section 33 of the Purchase Agreement and section 7.2(i) above). **In the event the Developer is not able to fulfill the Domestic Power Commitment within the time provided in the Purchase Contract, Buyers will have to use the Domestic Power Holdback and work with B.C. Hydro directly to complete the work.**

7.4 Other Material Facts

(a) *Additional Facts*

The Developer is not aware of any other material facts relating to the Development except as set out in this Disclosure Statement.

SIGNATURES

DEEMED RELIANCE

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

DECLARATION

The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of March 10 2021.

KV Properties Inc.


Per:

Authorized Signatory

RETO BARRINGTON

TODD FYFE

CHAD JENSEN



ARTHUR SOMBROWSKI

ALUN WILLIAMS

DAVID MILNE

SIGNATURES

DEEMED RELIANCE

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

DECLARATION

The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of March 10 2021.

KV Properties Inc.

Per:

Authorized Signatory

RETO BARRINGTON

DocuSigned by:



1394C0B7532641B...
TODD FYFE

CHAD JENSEN

ARTHUR SOMBROWSKI

ALUN WILLIAMS

DAVID MILNE

SIGNATURES

DEEMED RELIANCE

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

DECLARATION

The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of March 10 2021.

KV Properties Inc.

Per:

Authorized Signatory

RETO BARRINGTON

TODD FYFE

CHAD JENSEN

ARTHUR SOMBROWSKI

ALUN WILLIAMS



DAVID MILNE

SIGNATURES

DEEMED RELIANCE

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

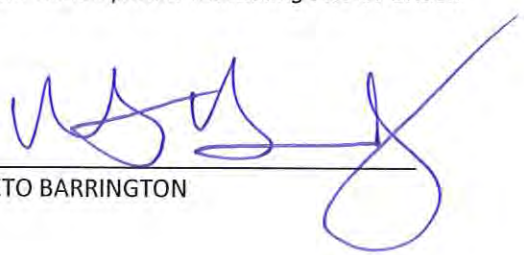



DECLARATION

The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of March 10 2021.

KV Properties Inc.

Per:

Authorized Signatory


RETO BARRINGTON
TODD FYFE
CHAD JENSEN
ARTHUR SOMBROWSKI
ALUN WILLIAMS
DAVID MILNE





CONSTITUTION

BC Society • Societies Act

NAME OF SOCIETY: **KOOCANUSA VILLAGE COMMUNITY ASSOCIATION**

Incorporation Number: S0060030

Business Number: 80411 6283 BC0001

Filed Date and Time: September 30, 2017 06:52 AM Pacific Time

The name of the Society is KOOCANUSA VILLAGE COMMUNITY ASSOCIATION

The purposes of the Society are:

- a. To plan and promote social events and activities that help develop a sense of belonging, community spirit and goodwill.
- b. To raise funds required to support the ongoing growth and development of all purposes. This includes but is not limited to fund raising, donations, grants and membership fees.
- c. To represent the Koocanusa Village Community Association members and provide a consolidated voice. This includes but is not limited to relations with developers, governments, government agencies, and neighboring communities and businesses.
- d. To promote, encourage, develop and oversee the operations of a local volunteer fire department.
- e. To promote and encourage the safety, security and protection of all Koocanusa Village residents and their properties from natural (e.g. fire, wildlife, water levels), local (e.g. speeders), and external influence (e.g. cattle, break in or criminal activity).
- f. To promote awareness of all locally imposed bylaws that contribute to the safety of all residents.
- g. To manage common areas, facilities and access routes within the development area that do not fall within the responsibility of the Strata Corporations and are not serviced by local or regional government.

This society is a member-funded society. It is funded primarily by its members to carry on activities for the benefit of its members. On its liquidation or dissolution, this society may distribute its money and other property to its members.



EXHIBIT A

CONSTITUTION ALTERATION APPLICATION (CHANGE NAME AND PURPOSES)

BC Society • Societies Act

NAME OF SOCIETY: **KOOCANUSA VILLAGE COMMUNITY ASSOCIATION**

Incorporation Number: S0060030

Business Number: 80411 6283 BC0001

Filed Date and Time: September 30, 2017 06:52 AM Pacific Time

SPECIAL RESOLUTION DATE

I, Valerie Kapsha, confirm that the Society passed a Special Resolution to adopt the changes as outlined below.

Special Resolution Date: August 26, 2017

SOCIETY NAME

Current Name:

KOOCANUSA VILLAGE COMMUNITY ASSOCIATION

Previous Name:

SWEETWATER COMMUNITY ASSOCIATION

PURPOSES

- a. To plan and promote social events and activities that help develop a sense of belonging, community spirit and goodwill.
- b. To raise funds required to support the ongoing growth and development of all purposes. This includes but is not limited to fund raising, donations, grants and membership fees.
- c. To represent the Koocanusa Village Community Association members and provide a consolidated voice. This includes but is not limited to relations with developers, governments, government agencies, and neighboring communities and businesses.
- d. To promote, encourage, develop and oversee the operations of a local volunteer fire department.
- e. To promote and encourage the safety, security and protection of all Koocanusa Village residents and their properties from natural (e.g. fire, wildlife, water levels), local (e.g. speeders), and external influence (e.g. cattle, break in or criminal activity).
- f. To promote awareness of all locally imposed bylaws that contribute to the safety of all residents.
- g. To manage common areas, facilities and access routes within the development area that do not fall within the responsibility of the Strata Corporations and are not serviced by local or regional government.

MEMBER-FUNDED SOCIETY

This society is a member-funded society. It is funded primarily by its members to carry on activities for the benefit of its members. On its liquidation or dissolution, this society may distribute its money and other property to its members.

EXHIBIT A



CONSTITUTION ALTERATION APPLICATION (CHANGE NAME AND PURPOSES)

BC Society • Societies Act

CERTIFICATION

I, Valerie Kapsha, certify that I have relevant knowledge of the society, and that I am authorized to make this filing.



PART 1 – DEFINITIONS AND INTERPRETATION

Definitions

1.1 In these Bylaws:

“Act” means the *Societies Act* of British Columbia as amended from time to time;

“Board” means the directors of the Society;

“Bylaws” means these Bylaws as altered from time to time.

“Ordinary Resolution” means a resolution passed at a general meeting by a simple majority of the votes cast by the voting members, whether cast in person or by proxy

“Special Resolution” means a resolution passed at a general meeting by at least 2/3 of the votes cast by the voting members, whether cast in person or by proxy

“Rent Charge” is the means by which the Koocanusa Village Community Association (KVCA) has the ability to apply the value of unpaid membership fees against the title of the associated property.

Definitions in Act apply

1.2 The definitions in the Act apply to these Bylaws.

Conflict with Act or regulations

1.3 If there is a conflict between these Bylaws and the Act or the regulations under the Act, the Act or the regulations, as the case may be, prevail.

PART 2 – MEMBERS

Application for membership

2.1 All residents of Koocanusa Village are members of the Society. This includes all those who are titled owners of a property, or hold a lease on a property of a duration of not less than one year.

Duties of members

2.2 Every member must uphold the constitution of the Society and must comply with these Bylaws.

EXHIBIT A
Bylaws of Koocanusa Village Community Association
Effective November 17, 2018

Amount of membership dues

- 2.3** The amount of the annual membership dues, if any, must be determined by the Board and must be approved by the membership as a special resolution at a Special or Annual General Meeting.
- a) Membership fees are allocated on a per lot basis. If therefore by example a member owns or leases 2 properties in the development, they are then responsible for 2X the membership fee.
 - b) The exception to this is if a member's primary residence spans multiple side-by-side lots they will then only be required to pay a single fee for that extended property.
 - c) Members who fail to pay their fees shall have the value of their outstanding fees, including related interest, service charges, and applicable late fees, applied to the existing Rent Charge on title in favour of the Koocanusa Village Community Association.
 - d) Other than for the collection of delinquent membership fees, any use of the Rent Charge must be approved by the membership as a special resolution at a General Meeting.

Member not in good standing

- 2.4** A member is not in good standing if the member fails to pay the member's annual membership dues, if any, and the member is not in good standing for so long as those dues remain unpaid. A member not in good standing must pay their dues within 14 days of an upcoming AGM or SGM in order to be reinstated as a member in good standing for the meeting.

Member not in good standing may not vote

- 2.5** A voting member who is not in good standing
- (a) may not vote at a general meeting, and
 - (b) is deemed not to be a voting member for the purpose of consenting to a resolution of the voting members.

Termination of Membership

- 2.6** Membership in the Society automatically terminates when a person is no longer a titled owner of a property, or holds a lease on a property of a duration of not less than one year.

PART 3 – GENERAL MEETINGS OF MEMBERS

EXHIBIT A
Bylaws of Koocanusa Village Community Association
Effective November 17, 2018

Time and place of general meeting

3.1 A general meeting must be held at the time and place the Board determines.

Ordinary business at general meeting

3.2 At a general meeting, the following business is ordinary business

- (a) adoption of rules of order;
- (b) consideration of any financial statements of the Society presented to the meeting;
- (c) consideration of the reports, if any, of the directors or auditor;
- (d) election or appointment of directors;
- (e) appointment of an auditor, if any;
- (f) business arising out of a report of the directors not requiring the passing of a special resolution.

Notice of special business

3.3 A notice of a general meeting must state the nature of any business, other than ordinary business, to be transacted at the meeting in sufficient detail to permit a member receiving the notice to form a reasoned judgment concerning that business.

Chair of general meeting

3.4 The following individual is entitled to preside as the chair of a general meeting:

- (a) the individual, if any, appointed by the Board to preside as the chair;
- (b) if the Board has not appointed an individual to preside as the chair or the individual appointed by the Board is unable to preside as the chair,
 - (i) the president,
 - (ii) the vice-president, if the president is unable to preside as the chair, or
 - (iii) one of the other directors present at the meeting, if both the president and vice-president are unable to preside as the chair.

Alternate chair of general meeting

EXHIBIT A
Bylaws of Koocanusa Village Community Association
Effective November 17, 2018

- 3.5** If there is no individual entitled under these Bylaws who is able to preside as the chair of a general meeting within 15 minutes from the time set for holding the meeting, the voting members who are present must elect an individual present at the meeting to preside as the chair.

Quorum required

- 3.6** Business, other than the election of the chair of the meeting and the adjournment or termination of the meeting, must not be transacted at a general meeting unless a quorum of voting members is present.

Quorum for general meetings

- 3.7** The quorum for the transaction of business at a general meeting is 25% of the total number of voting members in good standing, voting in person or by proxy.

Lack of quorum at commencement of meeting

- 3.8** If, within 30 minutes from the time set for holding a general meeting, a quorum of voting members is not present,
- (a) in the case of a meeting convened on the requisition of members, the meeting is terminated, and
 - (b) in any other case, the meeting stands adjourned to the same day in the next week, at the same time and place, and if, at the continuation of the adjourned meeting, a quorum is not present within 30 minutes from the time set for holding the continuation of the adjourned meeting, the voting members who are present constitute a quorum for that meeting.

If quorum ceases to be present

- 3.9** If, at any time during a general meeting, there ceases to be a quorum of voting members present, business then in progress must be suspended until there is a quorum present or until the meeting is adjourned or terminated.

Adjournments by chair

- 3.10** The chair of a general meeting may, or, if so directed by the voting members at the meeting, must, adjourn the meeting from time to time and from place to place, but no business may be transacted at the continuation of the adjourned meeting other than business left unfinished at the adjourned meeting.

Notice of continuation of adjourned general meeting

EXHIBIT A
Bylaws of Koocanusa Village Community Association
Effective November 17, 2018

3.11 It is not necessary to give notice of a continuation of an adjourned general meeting or of the business to be transacted at a continuation of an adjourned general meeting except that, when a general meeting is adjourned for 30 days or more, notice of the continuation of the adjourned meeting must be given.

Order of business at general meeting

3.12 The order of business at a general meeting is as follows:

- (a) elect an individual to chair the meeting, if necessary;
- (b) determine that there is a quorum;
- (c) approve the agenda;
- (d) approve the minutes from the last general meeting;
- (e) deal with unfinished business from the last general meeting;
- (f) if the meeting is an annual general meeting,
 - (i) receive the directors' report on the financial statements of the Society for the previous financial year, and the auditor's report, if any, on those statements,
 - (ii) receive any other reports of directors' activities and decisions since the previous annual general meeting,
 - (iii) elect or appoint directors, and
 - (iv) appoint an auditor, if any;
- (g) deal with new business, including any matters about which notice has been given to the members in the notice of meeting;
- (h) terminate the meeting.

Methods of voting

3.13 At a general meeting, voting must be by a show of hands, an oral vote or another method that adequately discloses the intention of the voting members, except that if, before or after such a vote, 2 or more voting members request a secret ballot or a secret ballot is directed by the chair of the meeting, voting must be by a secret ballot.

- a) A member in good standing present in person or by proxy at a meeting of members is entitled to one vote.

Announcement of result

EXHIBIT A
Bylaws of Koocanusa Village Community Association
Effective November 17, 2018

3.14 The chair of a general meeting must announce the outcome of each vote and that outcome must be recorded in the minutes of the meeting.

Proxy voting is permitted

3.15 Voting by proxy is permitted and may be submitted by mail, e-mail or in person.

Matters decided at general meeting by ordinary resolution

3.16 A matter to be decided at a general meeting must be decided by ordinary resolution unless the matter is required by the Act or these Bylaws to be decided by special resolution or by another resolution having a higher voting threshold than the threshold for an ordinary resolution.

Fiscal Year

3.17 The Fiscal year for the Society shall be January 1 to December 31. Budget planning and financial reporting at an AGM will be based on this time frame.

PART 4 – DIRECTORS

Number of directors on Board

4.1 The Society must have no fewer than 3 and no more than 11 directors. A minimum of one person from each community area (IE each Strata or RV community) must be elected as a director.

Election or appointment of directors

4.2 At each annual general meeting, the voting members entitled to vote for the election or appointment of directors must elect or appoint the Board.

Directors may fill casual vacancy on Board

4.3 The Board may, at any time, appoint a member as a director to fill a vacancy that arises on the Board as a result of the resignation, death or incapacity of a director during the director's term of office.

Term of appointment of director filling casual vacancy

4.4 A director appointed by the Board to fill a vacancy ceases to be a director at the end of the unexpired portion of the term of office of the individual whose departure from office created the vacancy.

EXHIBIT A
Bylaws of Koocanusa Village Community Association
Effective November 17, 2018

PART 5 – DIRECTORS’ MEETINGS

Calling directors’ meeting

- 5.1** A directors’ meeting may be called by the president or by any 2 other directors.

Notice of directors’ meeting

- 5.2** At least 2 days’ notice of a directors’ meeting must be given unless all the directors agree to a shorter notice period.

Proceedings valid despite omission to give notice

- 5.3** The accidental omission to give notice of a directors’ meeting to a director, or the non-receipt of a notice by a director, does not invalidate proceedings at the meeting.

Conduct of directors’ meetings

- 5.4** The directors may regulate their meetings and proceedings as they think fit.

Quorum of directors

- 5.5** The quorum for the transaction of business at a directors’ meeting is a majority of the directors.

PART 6 – BOARD POSITIONS

Election or appointment to Board positions

- 6.1** Directors must be elected or appointed to the following Board positions, and a director, other than the president, may hold more than one position:
- (a) president;
 - (b) vice-president;
 - (c) secretary;
 - (d) treasurer.

Directors at large

EXHIBIT A
Bylaws of Koocanusa Village Community Association
Effective November 17, 2018

- 6.2** Directors who are elected or appointed to positions on the Board in addition to the positions described in these Bylaws are elected or appointed as directors at large.

Role of president

- 6.3** The president is the chair of the Board and is responsible for supervising the other directors in the execution of their duties.

Role of vice-president

- 6.4** The vice-president is the vice-chair of the Board and is responsible for carrying out the duties of the president if the president is unable to act.

Role of secretary

- 6.5** The secretary is responsible for doing, or making the necessary arrangements for, the following:
- (a) issuing notices of general meetings and directors' meetings;
 - (b) taking minutes of general meetings and directors' meetings;
 - (c) keeping the records of the Society in accordance with the Act;
 - (d) conducting the correspondence of the Board;
 - (e) filing the annual report of the Society and making any other filings with the registrar under the Act.

Absence of secretary from meeting

- 6.6** In the absence of the secretary from a meeting, the Board must appoint another individual to act as secretary at the meeting.

Role of treasurer

- 6.7** The treasurer is responsible for doing, or making the necessary arrangements for, the following:
- (a) receiving and banking monies collected from the members or other sources;
 - (b) keeping accounting records in respect of the Society's financial transactions;
 - (c) preparing the Society's financial statements;
 - (d) making the Society's filings respecting taxes.

EXHIBIT A
Bylaws of Koocanusa Village Community Association
Effective November 17, 2018

PART 7 – REMUNERATION OF DIRECTORS AND SIGNING AUTHORITY

Remuneration of directors

7.1 These Bylaws do not permit the Society to pay to a director remuneration for being a director, but the Society may, subject to the Act, pay remuneration to a director for services provided by the director to the Society in another capacity.

Signing authority

7.2 A contract or other record to be signed by the Society must be signed on behalf of the Society

- (a) by the president, together with one other director,
- (b) if the president is unable to provide a signature, by the vice-president together with one other director,
- (c) if the president and vice-president are both unable to provide signatures, by any 2 other directors, or
- (d) in any case, by one or more individuals authorized by the Board to sign the record on behalf of the Society.



KAMLOOPS LAND TITLE OFFICE

Jul-11-2012 16:32:43.003

CA2651891

LAND TITLE ACT
FORM C (Section 233) CHARGE

GENERAL INSTRUMENT - PART 1 Province of British Columbia

PAGE 1 OF 8 PAGES

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

William Jerome
MacDonald
7STYS3

Digitally signed by William Jerome
MacDonald 7STYS3
DN: c=CA, ou=William Jerome
MacDonald 7STYS3, o=Lawyer,
ou=Verify ID at www.juricert.com/
LKUP.cfm?id=7STYS3
Date: 2012.07.11 14:59:51 -08'00'

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

MacDonald Thomas

1018 - 7th Avenue

PO Box 2400

Invermere

BC V0A 1K0

250-342-6921

LTO #: 10783

File #: 7909KAT

Document Fees: \$72.50

Deduct LTSA Fees? Yes ☒

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:

[PID]

[LEGAL DESCRIPTION]

SEE SCHEDULE

STC? YES

3. NATURE OF INTEREST

Rent Charge

CHARGE NO.

ADDITIONAL INFORMATION

Entire Document

4. TERMS: Part 2 of this instrument consists of (select one only)

(a) ☐ Filed Standard Charge Terms D.F. No.(b) ☒ Express Charge Terms Annexed as Part 2

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument.

5. TRANSFEROR(S):

MARCER RANCHING LTD., INC. NO 87000

6. TRANSFEREE(S): (including postal address(es) and postal code(s))

SWEETWATER COMMUNITY ASSOCIATION

4401 MACLEOD TRAIL S.W.

CALGARY

T2G 0A5

ALBERTA

CANADA

Incorporation No

S60030

7. ADDITIONAL OR MODIFIED TERMS:

N/A

8. EXECUTION(S): This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)

Nikolaus Demiantschuk

Barrister & Solicitor

1200, 1015 - 4 Street S.W.

Calgary, AB T2R 1J4

Execution Date

Y M D

12 07 04

Transferor(s) Signature(s)

Marcer Ranching Ltd. by its
authorized signatory:

Craig Douglas McMorran

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

**LAND TITLE ACT
FORM D**

EXECUTIONS CONTINUED

PAGE 2 of 8 pages

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

Nikolaus Demiantschuk
Barrister & Solicitor
1200, 1015 - 4 Street S.W.
Calgary, AB T2R 1J4

Y	M	D
12	07	04

Sweetwater Community Association by
its authorized signatory(ies):

Per: Craig Douglas McMorran

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

**LAND TITLE ACT
FORM E**

SCHEDULE

PAGE 3 OF 8 PAGES

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

028-867-343 LOT 1 , DISTRICT LOT 10348, KOOTENAY DISTRICT PLAN EPP14443

STC? YES ☐

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

028-867-351 LOT 2 , DISTRICT LOT 10348, KOOTENAY DISTRICT PLAN EPP14443

STC? YES ☐

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

028-867-360 LOT 3 , DISTRICT LOT 10348, KOOTENAY DISTRICT PLAN EPP14443

STC? YES ☐

**LAND TITLE ACT
FORM E**

SCHEDULE

PAGE 4 OF 8 PAGES

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

028-867-378 LOT 4 , DISTRICT LOT 10348, KOOTENAY DISTRICT PLAN EPP14443

STC? YES ☐

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

STC? YES ☐

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

STC? YES ☐

Terms of Instrument – PART 2

THIS RENT CHARGE AGREEMENT made as of the ____ day of _____, 2012

BETWEEN:

MARCER RANCHING LTD., of 4401 Macleod Trail S.W. Calgary, AB
T2G 0A5

(hereinafter called the "Grantor")
OF THE FIRST PART

AND:

SWEETWATER COMMUNITY ASSOCIATION, incorporated in the
Province of British Columbia under Society #S60030, with an office at 4401
Macleod Trail S.W., Calgary, AB T2G 0A5

(hereinafter called the "Grantee")
OF THE SECOND PART

WHEREAS:

- A. The Grantee maintains and operates a Community Association for the benefit of all present and future property owners in the "Sweetwater Lake Village" development situate near the Hamlet of Baynes Lake in the Province of British Columbia;
- B. The Grantee has agreed to maintain the said Community Association in service to the Grantor in future, upon conditions that the Grantor will pay an annual service charge to the Grantee for the maintenance of the Grantee's administration, facilities and the provision of its services in accordance with the rates established from time to time by the Association;

AND WHEREAS:

- C. The Grantor is the registered owner of the lands described more fully in Form C, paragraph 2, attached hereto;
- D. The Grantor has agreed to grant to the Grantee a yearly rent charge, charged against the land owned by the Grantor and the Grantor's successors, hereinafter described, in order to secure the annual service charge to the Grantee;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the payment by the Grantee to the Grantor of the sum of One Dollar (\$1.00) of lawful money of Canada (the receipt and sufficiency of which is hereby by the Grantee acknowledged), the parties hereby agree as follows:

1. Grant of Rent Charge

- 1.1 The Grantor does hereby grant to the Grantee for a term of fifty (50) years a yearly rent charge in the amount hereinafter set out to commence and to be computed from the date of granting of this rent charge and to be charged upon and issuing and payable out of each of the strata lots to

be created from the subdivision of all and singular those certain parcels or tracts of land and premises described herein as the Lands.

- 1.2 The yearly rent charge shall be deemed to accrue from day to day but shall be paid in one annual instalment on the 1st day of January in each year with the first payment being made on the 1st day of January next after the date of this agreement. The amount of the yearly rent charge for each lot shall be the greater of the following amounts:

- (a) the sum of \$1.00; and
- (b) such additional sum in excess of the yearly rent charge as may be imposed from time to time by the Association in accordance with its annual budget allocations.

- 1.3 Provided that upon the Grantor making application to the Grantee to join the Community Association and agreeing to pay to the Grantee thereafter a service charge in accordance with the annual budget from time to time issued by the Grantee, then the above-mentioned rent charged shall abate against such lot for as long as the service charge is paid in accordance with the said budget, provided however that the Grantor has paid all arrears and interest to the Grantee including the rent charge accrued from the date of registration of the rent charge to the date of registration of title of the strata lots concerned in the name of its owner for the time being.

- 1.4 Any arrears of rent charge shall bear interest from the due date until payment at the rate of 24% per annum and shall be a charge upon all lots in default in the same manner as the rent charge hereby charged on the said lots.

- 1.5 The Grantor further covenants with the Grantee that the Grantor and the persons deriving title under him will at all times hereafter pay to the said Grantee the said rent charge at the times and in the manner hereinbefore appointed for payment.

2. Rights of Grantee to Seize and Sell upon Default

- 2.1 It is agreed that if default shall be made in payment of the within rent charge or any part thereof, or interest, and such default remains unremedied for 180 days after notice of default of payment has been sent to the Grantor by registered mail, then at any time thereafter, the Grantee may enter upon such parcel in respect of which the notice of default remains unremedied and distrain the instalment or instalments in arrears and may take, lead, drive, carry away, and impound until the said rent charge and the arrears and interest thereof, if any, together with all costs and charges incurred by such distress or in obtaining payment until the said rent charge shall be fully paid and satisfied.

- 2.2 It is agreed that if, following the expiration of 240 days from the date notice of default described in paragraph 2.1 was sent to the Grantor by registered mail, the Grantee may forthwith sell and absolutely dispose of those of the parcel in respect of which notice of default was given, either by public auction or private contract as to it, the said Grantee, shall deem fit and proper and may convey and assure the same to the purchaser in fee simple and the Grantor hereby constitutes the Grantee, its successors and assigns, the attorney or attorneys irrevocable by death or otherwise,

of him the Grantor, his heirs, executors or administrators to make such conveyance or conveyances. Provided however that such power of sale shall not be exercised until one month after previous notice in writing shall have been given to the Grantor by delivery to him or by delivery to an adult person upon the said lands or if vacant, then by substitute service in the manner allowed under the Supreme Court Rules of the Province of British Columbia, and the further proviso that the Grantor does not, before the making of the sale, pay the amount in default with interest thereof and the cost of any such notice and proceedings of sale and further proviso that no legal proceedings shall be commenced in any court seeking any remedy respecting such sale.

- 2.3 It is agreed that notwithstanding the absolute disposition of the said lots which are in default, the said rent charge shall survive and the purchasers in fee simple shall be subject to the terms of the agreement provided that no purchaser shall be bound to inquire whether any instalment or instalments of the said rent charge is in arrears or as to the impropriety or irregularity of such sale and it shall be as regards the purchaser or purchasers be deemed within the aforesaid power and be valid accordingly and the remedy (if any) of the Grantor in respect of any impropriety or irregularity in any such sale shall be in damages only and the purchaser or purchasers on any such sale shall not be required to see to the application of the proceeds of the sale or be accountable for any loss, misappropriation or misapplication thereof.
- 2.4 It is agreed that the monies realized by reason of any such sale as aforesaid shall be applied by the Grantee firstly to place in payment of the expenses incurred as a result of such sale or otherwise in relation to the premises and then in and towards satisfaction of the monies for the time being owing upon the security of these presents and then to pay the surplus, in any, to the Grantor of as the Grantor shall direct.

3. **Right to Deny Access**

- 3.1 It is agreed that:
- (a) If default is made in payment of the within rent charge or any part thereof, or interest for a period of 180 days after the day hereinbefore appointed for payment thereof; or
 - (b) If any action or inaction by the Grantor (or by owners of any lots comprising the Lands subject to the rent charge) that would prejudice the Grantee's ability to supply services to its members, or be compensated for the supply of that service;

then at any time thereafter, the Grantee may refuse the Grantor access to the Community Association facilities without prejudice to any of its legal remedies for such period the Grantee, acting reasonably, shall deem appropriate.

- 3.2 Following revocation of access rights to the Community Association facilities, restoration of access shall be preceded by correction of any or all of the conditions for which access rights were revoked and on payment of:
- (a) amounts due and payable to the Grantor, and

- (b) a guarantee deposit if required by the Grantor to secure payment of the rent charge for the next succeeding year.

4. Right to Sue for Arrears

- 4.1 Notwithstanding the foregoing provisions for enforcement of the payments due hereunder, the Grantee, at its option, may bring or take any legal action for payment in any court of competent jurisdiction.

5. Binding Effect

- 5.1 It is agreed that these presents and everything herein contained shall ensure to the benefit of and be binding upon the parties hereto and their heirs, executors, administrators and assigns, respectively.

6. Non-Release of Rent Charge

- 6.1 For a period of ten years commencing the 1st day of August, 2012, the Grantee shall not release any parcel from the provisions of this Agreement without the written consent of the Grantor.

7. Liability and Indemnity

- 7.1 Excepting for damage, injury or loss occasioned by negligence of the Grantee or its agents or employees acting within the scope of their employment, the Grantee shall not be liable for, and the Grantor shall indemnify and save harmless the Grantee against any and all claims and demands which may be made against the Grantee as a result of any damage, injury or loss, however caused, suffered by the Grantee as a result of its entry on the premises or property owned or leased by the Grantor in connection with the delivery of the service.
- 7.2 Notwithstanding anything herein contained the Grantee shall not be responsible for any damages, injury or loss occasioned by the Grantor or anyone claiming through him, her or them, arising out of use of the lands and facilities of the Community Association.

8. Assent

- 8.1 The Grantor and Grantee have signified their assent to the terms of this document by affixing their signatures on the Form C annexed hereto.



4.04 SINGLE FAMILY RESIDENTIAL – MEDIUM LOT ZONE: R-1(B)**(1) Permitted Uses**

Within the R-1(B) zone, the following uses are permitted:

(a) *Single family dwelling.*

(2) Accessory Uses

(a) *Home based business;*

(b) *Secondary suite;*

(c) *Uses, buildings and structures accessory to a permitted use.*

(3) Regulations

In the R-1(B) zone, no *building* or *structure* may be constructed or placed and no plan of subdivision approved which contravenes the regulations contained in the table below. Column 1 identifies the matter to be regulated. Column 2 establishes the regulations.

COLUMN 1	COLUMN 2
(a) Minimum <i>parcel</i> size:	570 m ²
(b) Minimum <i>setbacks</i> :	
<i>Principal buildings and structures</i> from:	
▪ <i>front parcel line</i> adjacent to an <i>access route</i>	2.0 m
▪ <i>front parcel</i> adjacent to a <i>highway</i>	4.5 m
▪ <i>rear parcel line</i>	6.0 m
▪ <i>interior side parcel line</i>	1.5 m
▪ <i>exterior side parcel line</i>	4.5 m
▪ <i>side parcel line</i> when abutting P-2 zone	5.0 m
<i>Accessory buildings and structures</i> from:	
▪ <i>front parcel line</i> adjacent to an <i>access route</i>	2.0 m
▪ <i>front parcel line</i> adjacent to a <i>highway</i>	4.5 m
▪ <i>rear parcel line</i>	1.5 m
▪ <i>interior side parcel line</i>	1.5 m
▪ <i>exterior side parcel line</i>	4.5 m
▪ <i>side parcel line</i> when abutting P-2 zone	5.0 m
(c) Maximum <i>height</i> for:	
<i>Principal buildings and structures</i>	10.0 m
<i>Accessory buildings and structures</i>	7.0 m
(d) Maximum <i>parcel coverage</i> :	35%

(4) Other Regulations

(a) No horizontal dimension of a *principal building*, not including an addition or non rectangular *building* shall be less than 5.5 m



EXHIBIT D

SCHEDULE A SCHEDULE OF RESTRICTIONS MARINA ESTATES

1. For the purposes of this Building Scheme, the following terms will have following meanings:

- (a) **"Approval"** or **"Approved"** means the Design Review Coordinator's written approval of the Plans and Specifications for the Improvements to be constructed on the Lands in accordance with the Building Scheme;
- (b) **"Approval Date"** means the date of the Approval;
- (c) **"Design Review Coordinator"** means:
 - i. the Developer; or
 - ii. an assignee or designated agent of the Developer as the Developer may elect in writing from time to time (the **"Agent"**); or
 - iii. following the written resignation, dissolution, or inability of the Developer or the Agent to continue acting as the Design Review Coordinator,
 - a) such entity or individual as may be appointed collectively by the Owners; or
 - b) such entity or individual as may be appointed pursuant to a Court Order.
- (d) **"Building Scheme"** means collectively, the Form 35, the restrictions set out in this Schedule A;
- (e) **"Marina Estates Lands"** means Lots 1 – 22, all in Plan EPP 109367;
- (f) **"Construction Damage"** means without limitation, any and all damage caused to the Marina Estates Lands and Improvements located on the Marina Estates Lands including damage caused by the Owner or the Owner's agents, contractors, workers, employees and guests regardless of whether the damage was caused intentionally, negligently, willfully, or recklessly;
- (g) **"Developer"** means KV Properties Inc.;
- (h) **"Form 35"** means the Form 35 Declaration of Building Scheme which accompanies this Schedule A;
- (i) **"Improvement"** means any building, structure, or landscaping located on a Lot including without limitation the excavation, removal, addition, or modification of or to any soil, gravel, water, trees, vegetation, or ground cover but does not include minor changes to landscaping on a Lot which: (i) are consistent with this Building Scheme; and, (ii) are undertaken after an Owner has Substantially Completed and received an occupancy permit in respect of the principal building on the Lot;
- (j) **"Lands"** mean those lands set out in the Form 35;

EXHIBIT D

- 2 -

- (k) **“Lot”** means any single lot comprising the Marina Estates Lands;
 - (l) **“Materials”** means all plans, specifications, drawings, and renderings, together with any other documents, materials, or samples reasonably required by the Design Review Coordinator;
 - (m) **“Owner”** means the registered owner of the Lot shown on the title to the Lot in the Land Title Office from time to time, and includes all beneficial owners of the Lot from time to time;
 - (n) **“Plans and Specifications”** means the Materials to be prepared by the Owner in accordance with this Building Scheme and submitted to the Design Review Coordinator for review and approval by the Design Review Coordinator in accordance with this Building Scheme;
 - (o) **“Substantial Completion”** and **“Substantially Complete”** mean completed to such an extent such that the Improvement, or a substantial part of it, is ready for use or is being used for its intended purpose; and
 - (p) **“Swimming Pool”** means any structure or construction intended primarily for recreation that is capable of being filled with water to a depth of 0.6 meters or greater, but does not include a factory built hot tub.
2. No Improvement on a Lot will be commenced, constructed, installed, modified, or repaired by an Owner, and no building permit will be applied for in respect of a Lot, without the Owner first:
- (a) providing the Design Review Coordinator with the Plans and Specifications of the Improvements in accordance with this Building Scheme;
 - (b) having the Plans and Specifications reviewed by the Design Review Coordinator for the purpose of determining whether the Plans and Specifications comply with this Building Scheme;
 - (c) obtaining the Design Review Coordinator’s Approval; and
 - (d) complying with the requirements of this Building Scheme.
3. The Owner will not:
- (a) submit Plans and Specifications to the Design Review Coordinator which fail to comply with the form and content required by the Design Review Coordinator;
 - (b) alter or modify the Plans and Specifications once Approved without the further written approval of the Design Review Coordinator;
 - (c) construct Improvements in accordance with the Approval and this Building Scheme;

EXHIBIT D

- 3 -

- (d) substantially alter, modify, or repair any Improvements once Substantially Complete without first obtaining Approval for such alterations, modifications, or repairs in accordance with this Building Scheme;
- (e) in the event the Owner has not yet obtained an occupancy permit in respect of the Improvements, prevent or restrict the Design Review Coordinator from entering onto the Lot during regular business hours for the purposes of reviewing site conditions or determining compliance with and enforcing this Building Scheme;
- (f) in the event the Owner has obtained an occupancy permit in respect of the Improvements, prevent or restrict the Design Review Coordinator from entering onto the Lot during regular business hours, upon reasonable notice to the Owner, for the purposes of reviewing site conditions or determining compliance with and enforcing this Building Scheme; and
- (g) cause Construction Damage or permit Construction Damage to occur during the course of construction of the Owner's Improvements.

4. Without limiting the other restrictions in this Building Scheme:

New Materials

- (a) no Improvement will be constructed with used materials (except where used materials are used for decorative or aesthetic effect) a;
- (b) no used structures will be relocated to or placed on a Lot;

Grading

- (c) grading on a Lot will not be finished in a manner other than with rounded sloped transitions;
- (d) grading on a Lot will not be finished in a manner which negatively affects the Marina Estates Lands;
- (e) grading on driveways will not exceed 4%;

Driveways

- (f) no Lot will have more than one driveway;
- (g) no driveway will exceed the width of the garage located on the Lot;
- (h) no driveway will be constructed within 1.5 metres from the side property lines of the Lot;
- (i) no building material for driveways will be permitted except for the following:
 - i. exposed aggregate concrete;
 - ii. stamped concrete;
 - iii. brick pavers;

EXHIBIT D

- 4 -

- iv. concrete; or
- v. asphalt;

(j) no driveway will be constructed of gravel or grass-crete;

Building Finishes

- (k) no building material will be permitted for the walls of a principal building other than:
 - i. natural stone;
 - ii. round log;
 - iii. square log;
 - iv. wood shingle;
 - v. wood siding;
 - vi. fiber cement lap siding;
 - vii. fiber cement board & batten siding;
 - viii. fiber cement shingle
 - ix. high-density wood composite board;
 - x. wood board and batten;
 - xi. artificial stone, provided it has the appearance of natural stone and provided the colour and tone is native to the Lake Koochanusa area;
 - xii. acrylic stucco; or
 - xiii. slop dash stucco;
- (l) no principal building will use the following materials for exterior wall treatments:
 - i. concrete;
 - ii. brick;
 - iii. plywood;
 - iv. aluminum (except for appropriate accenting); or
 - v. plastic siding;
- (m) no Improvement will use material which is reflective (including glazing);
- (n) unless expressly provided for in this Building Scheme, no Improvement will have an exterior finish of bright or bold colours such as red, green and yellow;

Garages

- (o) no principal building will be permitted unless constructed with an enclosed garage;
- (p) no garage will provide parking for less than two standard size vehicles;
- (q) no garage doors will be constructed of materials other than:
 - i. wood;
 - ii. insulated metal;

EXHIBIT D

- 5 -

- (r) no garage doors will be constructed unless they include one of more of the following features, which features must accord with the exterior finish of the principal building:
 - i. molding;
 - ii. panel detail;
 - iii. paint;
 - iv. stain;
- (s) no garage doors will be constructed of plastic or un-insulated metal;
- (t) no garage doors will have an exterior finish other than paint or stain;
- (u) no insulated garage doors will have an exterior finish other than paint in a dark colour which accords with the exterior finish of the principal building;
- (v) no garage will be constructed which exceeds 24 inches from the top of the garage door to the bottom of the above gutter line will be finished without an architectural feature which accords with exterior finish of the principal building;

Roofs

- (w) no roofs will be constructed other than roofs which:
 - i. are predominately sloped;
 - ii. reduce the appearance of building massing;
 - iii. have a minimum pitch of 3/12; and
 - iv. have a minimum overhang which meets the following requirements:
 - a) 36 inch overhang for roof pitch of 3/12 to 5/12;
 - b) 30 inch overhang for roof pitch between 5/12 to 7/12;
 - c) 24 inch overhang for roof pitch between 7/12 to 9/12;
 - d) 18 inch overhang for roof pitch greater than 9/12;
 - v. use cladding of the following types:
 - a) asphalt shingles with raised ridges and cut and flashed or woven valleys and which are rated for a minimum life span of not less than 40 years;
 - b) concrete tile with butt and flashed fascia;
 - c) composite material which emulate natural wood shakes; or
 - d) non-reflective standing seam metal;
 - vi. use cladding of the following colours:
 - a) asphalt shingles which are dark earth-toned in colour;
 - b) metal roofs which are dark earth-toned in colour; or
 - c) composite material which emulate natural wood colour;
- (x) no roof will be clad in any material that is red, green, blue, or silver;
- (y) no roof will be clad in unfinished metal;
- (z) no mechanical equipment, vents, flashing, or other accessories located on roofs will have a colour other than natural earth tone which accords with the colour of the roof;

EXHIBIT D

- 6 -

Entry and Front Façade

- (aa) no principal building will have a front façade which incorporates fewer than two distinct exterior wall treatments;
- (bb) no principal building will be constructed which does not incorporate a front entry or porch that provides a transition from the front yard to the dwelling;
- (cc) no front entry or porch will be constructed which is not raised from adjacent grading;
- (dd) no front entry or porch will include protective barriers or railings other than those which incorporate square or turned spindles;
- (ee) no front entry or porch will include pony-walls with exterior finishing other than exterior finishing which accords with the exterior of the principal building;
- (ff) no front entry or porch will include glass panels;

Soffit and Fascia

- (gg) no soffit will be permitted other than:
 - i. wood or fiber cement, or wood composite material;
 - ii. pre-finished metal;
- (hh) no fascia will be permitted other than:
 - i. wood or fiber cement fascia or wood composite material;
 - ii. prefinished metal;

Chimneys

- (ii) no chimneys will be permitted other than chimneys which:
 - i. are clad in stone, shingle or similar material for the full length of the chimney; and
 - ii. have flues contained within the chimney structure (except for direct vent-gas fireplaces which must not be located in a conspicuous location);

Windows and Doors

- (jj) no windows will be permitted other than windows which:
 - i. are constructed of wood, vinyl, or finished metal;
 - ii. are constructed of non-reflective material (including non-reflective glazing);
 - iii. if wood, are natural in colour with protective sealant or stained or painted in a earth-toned in colour;
 - iv. if metal, are factory finished in earth-toned colours;
 - v. if vinyl, are factory finished in earth-toned colours;
 - vi. have frames or structures which are earth-toned in colour; or

EXHIBIT D

- 7 -

- vii. if they have shutters, are sized to the window they cover and are operable (or appear operable) and are constructed of wood or similar high-quality material;

Decks, Patios and Porches

- (kk) no deck, patio, or porch may have exposed or visible pressure treated lumber;

Exterior Lighting

- (ll) no exterior lights are permitted other than:
 - i. low intensity non-glare fixtures,
 - ii. covered light fixtures;
 - iii. downward facing fixtures; and
 - iv. dark sky compliant

Building Accessories

- (mm) no more than one accessory building will be permitted on the Lot;
- (nn) no accessory buildings are permitted other than accessory buildings which are:
 - i. constructed of material and exterior finishes which accord with the principal building; and
 - ii. consistent with residential purposes;
- (oo) no accessory building is permitted which has an exterior finish made of:
 - i. metal;
 - ii. fabric; or
 - iii. vinyl siding;
- (pp) no exterior antennae of any style or purpose are permitted;
- (qq) no satellite dishes are permitted other than one satellite dish which:
 - i. is no greater than 30" in diameter; and
 - ii. located in an inconspicuous location;
- (rr) no fixed awnings are permitted;
- (ss) no exterior mechanical equipment (including HVAC equipment) is permitted other than mechanical equipment which:
 - i. is screened from view and located to minimize visibility from adjacent Lots; and
 - ii. is not located within 6 feet from the front corners of the principal building;
- (tt) no "in-window" or "through-wall" air conditioners are permitted;
- (uu) no exterior propane storage tanks are permitted unless screened from view from other Lots within the Development.

EXHIBIT D

- 8 -

Excavation / Landscaping

- (vv) no removal of soil, gravel, trees, vegetation, ground cover or other natural features will be carried out at any time except in accordance with this Building Scheme;
- (ww) no Lot will have landscaping other than landscaping which:
 - i. is fully finished from the front of the principal building to the edge of the frontage road;
 - ii. if sodded lawn is used, is mowed and maintained on a regular basis;
 - iii. if incorporating coniferous trees, will be a minimum 2.4 meters in height when planted;
 - iv. if incorporating deciduous trees, will be a minimum of 50 mm caliper when planted; and
 - v. limits the use of stone or wood mulches to planting beds (or the area within the principal building's drip line);

Swimming Pools, Hot Tubs, and Water Features

- (xx) no Swimming Pools are permitted;
- (yy) no hot tubs are permitted other than hot tubs which are located in an inconspicuous location which does not interfere with the use and enjoyment of the Marina Estates Lands;

Retaining Walls

- (zz) no retaining wall may be constructed of:
 - i. irregular dumped rock;
 - ii. non-faced cast in place concrete;
 - iii. treated timber; or
 - iv. railway ties;

Fencing

- (aaa) no fencing is permitted within the front yard of the Lot;
- (bbb) no fencing is permitted within the side and rear yards of the Lot other than fencing which is set-back at least 6 feet from the rear corners of the Lot;
- (ccc) no fencing is permitted other than fencing which:
 - i. is consistent among the fencing within the Lot;
 - ii. is no greater than 4' in height; and
 - iii. is not solid panel;

EXHIBIT D

- 9 -

Utilities

(ddd) no power, telephone, water, sewer, television, or other similar utilities will be located on a Lot unless they are installed underground;

Screening

(eee) no boat, boat trailer, recreational vehicle (RV), camper trailer, machinery, equipment (whether motorized or not), or unlicensed vehicles will be permitted to be parked or stored on a Lot except within wholly enclosed structures, buildings or garages, or behind screening;

(fff) no visible billboard, placard, advertising, or signage of any kind will be permitted on a Lot except "for sale" signs;

Construction

(ggg) no construction trailers, field offices, or similar equipment will be permitted on a Lot other than tool trailers as required by trades to conduct their work;

(hhh) no construction garbage will be stored or disposed of except in disposal bins located on a Lot; and

5. Any notice, document or communication required or permitted to be given under this Building Scheme will be in writing and either delivered by hand, transmitted by email, or sent by prepaid mail (i) to the Design Review Coordinator at PO Box 223, Invermere, BC V0A 1K0 or the address commonly understood to be the Design Review Coordinator's business address and (ii) to the Owner at the Owner's address shown on title to the Lot. The time of giving such notice, document, or communication will be, if delivered by hand, when delivered, if sent by email then on the day of transmission, and if mailed, then on the third business day after the day of mailing. In the event that these addresses change the Design Review Coordinator will advise the Owners of each Lot of such change of address.
6. Where there is more than one Owner, the obligations of the Owner will be construed as joint and several obligations.
7. All words in this Building Scheme may be read and construed in the singular or plural, masculine or feminine, or body corporate, as the context requires.
8. This Building Scheme will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.
9. This Building Scheme will run with and bind the Lands and every portion of the lands and will render the Owner, every purchaser, lessee, sub-lessee, and occupant of the Lands (or any portion thereof) subject to the restrictions set out in this Building Scheme.
10. If any provision of this Building Scheme is found to be illegal, invalid, or unenforceable by any Court of competent jurisdiction, then that provision will be deemed to be severable from this Building Scheme (except to the extent that such provision is incorporated by reference into another agreement or cross referenced into

EXHIBIT D

- 10 -

another provision which is not found to be illegal, invalid, or unenforceable) such that the remaining provisions of this Building Scheme will be enforceable to fullest extent permitted by law.

END OF DOCUMENT



EXHIBIT E

Marina Estates at Koocanusa Village Design Guidelines

1.0 Administration

- 1.1 These Design Guidelines set out the process for Owners within Marina Estates to submit and have their building plans approved by the Design Review Coordinator.
- 1.2 These Design Guidelines may be amended or revised from time to time by the Design Review Coordinator. The most recent version of these Design Guidelines is available upon request to the Design Review Coordinator.
- 1.3 Owner's will be required to pay to the Design Review Coordinator a design review fee of \$1,250.00 at the time the Owner submits their Plans and Specifications. The design review fee will cover the cost of the Design Review Coordinator performing one review and providing feedback on the initial Plans and Specifications submitted for approval. If the initial Plans and Specifications do not conform with the Building Scheme and these Design Guidelines, the Design Review Coordinator may charge an hourly rate based on industry standard rates for further review of subsequent Plans and Specifications.
- 1.4 The Design Review Coordinator appointed by the Developer is Haworth Development Consulting. Owners shall submit plans and specifications for approval by the Design Review Coordinator to:

Haworth Development Consulting Ltd.

PO Box 223

Invermere, BC V0A 1K0

Attn: Richard Haworth

Tel: 250-342-1227

Email: richard@haworthconsulting.ca

2.0 General Guidelines

- 2.1 No person will commence any improvements of any sort (collectively or individually herein referred to as "**Improvements**"), unless first approved by the Design Review Coordinator.
- 2.2 Any Plans and Specifications submitted for approval shall be in a form and content satisfactory to the Design Review Coordinator. The Design Review Coordinator shall receive and consider the Plans and Specifications in a timely manner and either grant or reject approval of such Plans and Specifications, or make recommendations for alterations of such Plans and Specifications, provided always that the Design Review Coordinator shall not act arbitrarily.

No alterations or modifications to any Improvements shall be made without prior written approval of the Design Review Coordinator, and the approval criteria and procedures herein and in the Design Guidelines then in effect shall apply to all such alterations and modifications.

Owners are encouraged to review the design review process as outlined in these Design Guidelines so as to understand the process fully.

- 2.3 All improvement must be in compliance with the Building Scheme registered on title to each Owner's lot.

The Building Scheme is not intended to take the place of any Provincial or Municipal laws or regulations. Owners are solely responsible for ensuring conformity with all local and Provincial codes and regulations. In particular, Owners must comply with all provisions of:

EXHIBIT E

- (i) Regional District of East Kootenay, SweetWater Zoning & Floodplain Management Bylaw No. 2127, 2009, ("**RDEK Zoning Bylaw**,");
- (ii) Regional District of East Kootenay, Building Regulation Bylaw No 1735, 2004;
- (iii) British Columbia Building Code;
- (iv) All other relevant codes, regulations, rules and laws.

2.4 Secondary suites are permitted only in accordance with RDEK requirements.

2.5 No Owner shall be restricted from using their home for short-term rental under the Building Scheme or the Design Guidelines. The Owner shall be responsible for the conduct and actions of all guests using the home insofar as their conduct and actions may impact other Owners in Marina Estates at Koocanusa Village.

3.0 Site Planning Guidelines

3.1 Building Envelope

- a) Each Lot must include a Building Envelope approved by the Design Review Coordinator. The Building Envelope for each lot is based on lot setbacks as set forth in the RDEK Zoning Bylaw. However, requirements for spatial separation may require a greater setback depending on the style and design of the home proposed. **The BC Building Code requirements for spatial separation between houses supersede all other setbacks and must be adhered to by all Owners.**
- b) All construction (ie. the primary dwelling and all ancillary buildings and structures) shall be located within the Building Envelope.
- c) Landscaping must extend to the property lines on all sides except the front. On the front of the Lot landscaping shall extend to the street edge.

3.2 Lot Grading and Drainage

- a) Lot grading must conform to the approved site grading plan and where possible follow the natural slope of the landform. No home may be artificially raised or lowered on a lot from the existing grade condition unless specifically approved by the Design Review Coordinator.
- b) Subject to the approved site grading plan, lot recontouring will be permitted to control site-specific drainage problems and will be restricted to within the Building Envelope. Drainage flow patterns should be identified on the proposed site plan to show positive drainage patterns away from structures and adjoining lots.
- c) The garage pad elevation should be higher than the frontage road elevation. The elevation of the garage pad should be determined based on a driveway slope of 1% to 4%, but in no event shall the driveway slope exceed 4%.
- d) No Lot shall be graded in a manner that affects the overall drainage scheme for any neighbouring lots or for the greater community. This may require the construction of swales and other drainage features on a Lot.

EXHIBIT E

3.3 Utility Rights-of-Way & Easements

- a) No construction or tree planting is permitted within a utility Right-of-Way or Easement. Utility rights-of-way and easements are required to enable access to buried or surface utilities in case of emergency or special servicing needs.

4.0 Architectural Guidelines

4.1 Building Massing, Style and Scale

- a) The same house plan or elevations shall not be repeated within a 3-lot radius. If the house plan or elevations are necessary due to similar site conditions, modifications to roof slope, size, location of windows and doors may be required. Previously approved neighbouring houses will be considered when evaluating house plans.

4.2 Building Size

- a) No home shall be permitted that is less than 800 square feet (74m²) on the main floor, exclusive of any garage, covered patio, verandah, deck, and other similar space that is not closed to weather, unless permitted otherwise at the sole discretion of the Design Review Coordinator.

4.3 Continuity of Rear and Side Façades

- a) j Continuation of a home's architectural style around to and including the rear elevation is required. Building finishes shall be consistent around a building. The use of "feature" finishes on the front facade of a building and lesser finishes on the side and rear facades is not permitted. Changes in materials are permitted, and encouraged, throughout a building but shall not appear as if creating an extravagant street facade or waterfront facade at the expense of other facades.

4.4 Colour Scheme

- a) No exterior colour scheme utilizing bright or bold colours such as red, green and yellow will be permitted.
- b) The exterior colour scheme for all homes must be complementary and consistent throughout all exterior elements. For example, a predominantly dark colour scheme will not be permitted to utilize a light-coloured garage door or light-coloured windows.
- c) White and other light colours may be used for exterior cladding, but must be balanced with exterior cladding comprised of darker tones.

4.5 Building Wall Finishes

- a) Homes which, in the sole opinion of the Design Review Coordinator, utilize too few or too many different materials or which utilize materials in non-traditional styles will not be permitted.
- b) All homes shall have a stone base or other suitable detailing as approved by the Design Review Coordinator. Homes that do not utilize stone to ground the home to the Lot must provide superior alternate detailing that suitably grounds the home. Stone shall extend a minimum of 30" (750mm) from ground level along the front façade of the home and shall meet the requirements of Section 4.3 (*Continuity of Rear and Side Facades*).

EXHIBIT E

- c) The use of metals as a cladding element requires specific approval from the Design Review Coordinator. Any metal approved must be non-glare.
- d) The use of heavy trim elements is encouraged. Trim should visually read as a strong element on wall surfaces to provide interest and “layering” of the façade materials. Trim should utilize a combination of different materials, colours, and textures.
- e) Predominant exterior colours must be rich earth tones, warm tones or grays that complement the natural setting. Light coloured palettes will not be permitted. White will not be permitted for any exterior cladding, fixture or element of the home.

4.6 Garages and Driveways

- a) Carports are not permitted unless approved by the Design Review Coordinator. Carports shall not be permitted in lieu of a garage.
- b) Garages should not be the prominent element of the home and should be oriented such that the garage door is not the dominant element of the building facade.
- c) In the case of corner and irregular lots, consideration will be given to side entry garages such that the doors do not directly face the frontage street.
- d) Detached garages that complement the house are permitted if they are located in a manner that does not impact neighbouring homes or negatively impact views of the home from the frontage street.
- e) Single width garage doors and staggered setbacks add extra dimension to the street elevations and are preferred.
- f) Garage door height shall not exceed 10 feet (3.0m) unless approved by the Design Review Coordinator.
- g) Garage door style must be consistent with the overall architectural style of the home. Basic raised panel garage doors are not permitted. Obscure glass must be used in garage doors where a significant area of the door is glass. Garage doors must be a single subtle colour and complimentary to the colour of the home. White doors are not permitted. High contrast colours for garage doors are not permitted.

4.7 Roof

- a) Visually, the roof is fundamental to the overall image of the individual home and neighbourhood. The roof form must demonstrate the following characteristics:
 - (i) are predominately sloped;
 - (ii) reduce the appearance of building massing;
 - (iii) have a minimum pitch of 3/12; and
 - (iv) have a minimum overhang which meets the following requirements:

EXHIBIT E

- 36 inch overhang for roof pitch of 3/12 to 5/12;
 - 30 inch overhang for roof pitch between 5/12 to 7/12;
 - 24 inch overhang for roof pitch between 7/12 to 9/12;
 - 18 inch overhang for roof pitch greater than 9/12;
- (v) use cladding of the following types:
- asphalt shingles with raised ridges and cut and flashed or woven valleys and which are rated for a minimum life span of not less than 40 years;
 - concrete tile with butt and flashed fascia;
 - composite material which emulate natural wood shakes; or
 - non-reflective standing seam metal;
- (vi) use cladding of the following colours:
- asphalt shingles which are dark earth-toned in colour;
 - metal roofs which are dark earth-toned in colour; or
 - composite material which emulate natural wood colour;
- b) no roof shall be clad in any material that is red, green, blue, silver or white;
- c) no roof shall be clad in unfinished metal;

4.8 Entry and Front Façade

- a) The front façade is a vital component in establishing a solid first impression of the home and as such, special attention must be given to its design, detailing, materials and colours.
- b) Front entries must be raised from adjacent grade. A minimum elevation change of 12 inches is recommended although exceptions will be considered for downhill style lots and to permit universal accessibility (Where universal accessibility is proposed, the entire home must meet the requirements for universal accessibility).

4.9 Soffit and Fascia

- a) Soffit shall be wood or aluminum.
- b) Fascia shall be metal, wood or fiber cement board/smart board.
- c) All fascia shall be minimum of 2x10 material (or equivalent if built-up fascia is used). A “layered” style of gable end fascia treatment is encouraged.

EXHIBIT E

4.10 Chimneys

- a) Chimneys shall be clad in stone, shingle or other suitable material for the full height of the chimney. All flues shall be contained in a chimney structure – exposed flues are not permitted except for direct-vent gas fireplaces. Flues for direct-vent gas fireplaces shall be located in an inconspicuous location.

4.11 Windows and Doors

- a) Windows styles and materials will be permitted based on the overall architectural character of the home and relationship to neighbouring homes.
- b) Windows shall be wood, finished metal or vinyl.
- c) Non-reflective materials must be used, including non-reflective glazing.
- d) Window and door trim shall be wood, wood composite (ie. Smartboard) or fiber-cement trim.
- e) Wood windows shall be natural in colour (with a protective sealant) or stained or painted in an acceptable earth toned colour. Metal windows shall be factory finished in an acceptable earth-toned colour. Vinyl windows shall be factory finished earth toned colours. White window frames are not permitted.
- f) Window and door trim shall be painted or stained an acceptable earth-toned colour.
- g) Windows shall be square or rectangular in shape. Round and oval windows may be permitted as feature elements only which add to the lakefront character of a home with the approval of the Design Review Coordinator.
- h) Shutters, where installed, shall be sized to the window opening they are associated with and shall be operable or appear operable. Shutters must be constructed of wood or other quality material.
- i) The use of glass block is permitted only on a limited basis at the sole discretion of the Design Review Coordinator.

4.12 Decks, Patios and Porches

- a) The design and construction of decks, patios and porches must be complimentary to the design of the principal residence.
- b) The use of pressure treated lumber for exposed elements is not permitted (No pressure treated lumber elements may be visible on a completed deck).
- c) All elements of the deck must be sized to a scale appropriate to the design of the home and to express the structural qualities of the various elements (ie. post and columns must be robust to define their role as structural elements).
- d) Railings must be designed to be complementary to the design of the principal residence.
- e) All decks, patios and porches must be fully contained within the Building Envelope.
- f) All decks, patios and porches must be clearly illustrated on the plans submitted for design approval.

EXHIBIT E

4.13 Exterior Lighting

- a) Lighting is to be limited to within the Building Envelope. Lighting of areas outside of Building Envelope is not permitted.
- b) Low intensity non-glare fixtures to provide adequate illumination for safety and aesthetic enhancement are permitted. No uncovered light fixtures or non-focused, non-downward lighting fixtures are not permitted.
- c) The number of exterior light fixtures shall be limited to those required to provide adequate lighting and shall not be superfluous.

4.14 Building Accessories and Utilities

- a) One (1) accessory building of materials consistent with the principal dwelling and suitable for residential purposes only (i.e. garden storage, pool equipment storage, etc) is permitted. The accessory building must be located within the Building Envelope and must be situated so as to not block the view to the marina or lake from neighbouring lots.
- b) Accessory buildings, including pool sheds, storage sheds and other similar buildings shall be constructed of materials to complement the primary dwelling on the Lot. The use of metal, fabric, or vinyl sided storage sheds is not permitted.
- c) No exterior antennae of any style or purpose are permitted.
- d) Satellite dishes may be used if discretely located on the building and no greater than 30" (750mm) diameter. No more than one satellite dish is permitted per Lot.
- e) Solar applications are encouraged when integrated into the surface in which they are mounted. "Add-on" type applications are not permitted unless discretely situated into the roof or wall profile. Written approval must be obtained from the Design Review Coordinator prior to the installation of any solar applications on the exterior of the home or within the Lot.
- f) Fixed awnings are not permitted. Retractable awnings may be permitted by the Design Review Coordinator on a case-by-case basis. Awning colour must complement the colour of the home.
- g) No mechanical equipment may be located outside of the home unless it is located within the Building Envelope and if so located, must be screened from view and located to minimize impact on neighbouring Lots.
- h) No HVAC or mechanical equipment, including pool equipment, shall be located on any lot within 6 feet (1.8m) from the front corner(s) of the home or where it is visible from the front, flanking or rear streets unless adequately screened.
- i) No in-window and thru-wall units air conditioning units are permitted. No HVAC equipment shall be located on any lot within 6 feet (1.8m) from the front corner(s) of the home or where it is visible from the front, flanking or rear streets unless adequately screened.
- j) Propane tanks must be located such that they are buried or fully screened by vegetation or other materials consistent with complimenting the natural character of the lot.

4.15 Exterior Material and Colour Approval

EXHIBIT E

- a) Approval of all exterior building materials and colours is at the sole discretion of the Design Review Coordinator.
- b) To avoid repetition, the colour scheme of previously approved neighbouring houses will be considered when evaluating proposed colour schemes.
- c) The use of a specific colour on an existing residence shall not be considered precedence for its use elsewhere within Marina Estates at Koocanusa Village.
- d) Each home will be considered individually on its own merits and in relation to neighbouring homes.

5.0 Landscape Guidelines

To enhance a settled appearance of the neighbourhood, all Owners are required to complete the landscaping of the front yard, flanking yard (where applicable) and the first 6 feet of the side yard (measured from the front corner of the house) within 6 months of completion of house construction unless weather conditions make it impossible to do so. Landscaping of the entire lot must be completed within one year of occupancy of the home.

5.1 Landscape Plantings

- a) All Lots shall be fully landscaped to the edge of the frontage road.
- b) Large sodded lawns will be permitted but must be mowed and maintained on a regular basis.
- c) Coniferous trees shall be minimum 2.4 meters height when planted. Deciduous tree shall be minimum 50mm caliper when planted.
- d) The use of stone or wood mulches shall be limited to planting beds only. These materials are not appropriate as landscaping in lieu of lawn or shrub planting. Stone may be utilized within the drip edge of the home.

5.2 Swimming Pools, Hot Tubs and Water Features

- a) Swimming pools are not permitted. **“Swimming pool”** means any structure or construction intended primarily for recreation that is or is capable of being filled with water to a depth of 2 feet (600mm) or greater. A swimming pool does not include a factory built hot tub.
- b) Hot tubs must be situated in a manner that does not impact neighbouring views or impede on a neighbour's use and enjoyment of their property. A hot tub situated in a concealed location is preferred.
- c) Water features may be permitted only with approval from the Design Review Coordinator. Water features must recycle water and must be operated only when the home is being occupied. The Design Review Coordinator may limit the size of a water feature to restrict water use.

5.3 Retaining Walls

- a) Where a retaining wall is required, efforts must be made to minimize the visual impact of the wall by limiting height, utilizing suitable wall materials and creating opportunities for screening with landscape treatments.

EXHIBIT E

- b) Retaining walls should not exceed an exposed height of 4 feet (1.2m) where visible from the front or flanking streets. Higher walls will be allowed in areas not visible from any street. If a higher grade is required to be retained, a stepped form is encouraged to reduce the visual mass of the wall. When walls are stepped, the space between wall faces should be adequate to provide for a functional planter.
- c) Wall materials should complement the character of the house. Natural dry stacked stone walls are encouraged. Irregular dumped rock walls and non-faced cast in place concrete walls will not be permitted. Retaining wall construction shall be to a high standard of workmanship and structural integrity.
- d) Any Owner wanting to alter the existing grade on their lot is solely responsible for any and all retaining required including engineering and compliance with municipal requirements. All retaining wall construction must be contained within the lot lines and constructed in such a way that there is no impact on neighbouring lots.
- e) Owners are encouraged to identify the need for retaining walls during the house and lot grading design process. Details of any proposed walls must be shown on the plans and drawings submitted to the Design Review Coordinator for approval. Owners are encouraged to consider the benefits of constructing retaining walls early in the construction process to avoid possible issues with restricted access and disturbance to neighbouring lots normally related with construction retaining walls after the home is completed.
- f) Walls of pressure treated timber or railway ties are not permitted.
- g) All retaining walls must be constructed completely within the Building Envelope.

5.4 Fencing

- a) No fencing of any type is permitted within the front yard of a home. Side and rear yard fencing must be set back from the back corner(s) of the home not less 6 feet (1.8m).
- b) All fencing shall be of standard design and shall be a maximum 4-foot-high. Fencing types may be considered on an individual and site-specific basis with approval at the sole discretion of the Design Review Consultant. No white fencing of any type will be permitted. No fencing of a solid panel nature be approved.

5.5 Recreational Equipment and Facilities

- a) Recreational equipment and facilities such as large playground structures, tennis courts and other sports courts are permitted only with approval from the Design Review Coordinator.
- b) All recreational equipment must be located within the Building Envelope in the rear yard of the Lot.
- c) Gazebos and structures must be designed to complement the primary residence and be of similar colours and materials.



EXHIBIT F

Seller's Representative: _____

Lot # _____

Buyer's Representative: _____

Page 1 of _____

**OFFER TO PURCHASE AND AGREEMENT OF SALE
MARINA ESTATES****Seller:**KV PROPERTIES INC.
PO Box 1799
Fernie, BC V0B 1M0

(the "Seller")

Seller's Lawyers:LEFFLER LAW OFFICE
1361 - 7th Ave
Fernie, BC V0B 1M0

(the "Seller's Lawyers")

1.1 The Buyer(s):

Full name: _____ Full name: _____

Address: _____ Address: _____

Email: _____ Email: _____

Telephone: Hm: _____ Telephone: Hm: _____

Wk: _____

Wk: _____

Fax: Wk: _____ Fax: Wk: _____

Occupation: _____ Occupation: _____

(collectively, the "Buyer")

[insert Buyer's name] certifies to the Seller that the Buyer is ☐ [or]
is not ☐ a Canadian citizen or a permanent resident as defined in the *Immigration and Refugee Protection Act*._____
[insert Buyer's name] certifies to the Seller that the Buyer is ☐ [or]
is not ☐ a Canadian citizen or a permanent resident as defined in the *Immigration and Refugee Protection Act*.**Disclosure Statement Receipt**

The Buyer hereby acknowledges receiving and having a reasonable opportunity prior to the execution of this Agreement to read the Disclosure Statement dated March 10, 2021 and any amendments thereto (collectively, the "Disclosure Statement"). The execution of this Agreement will constitute a receipt by the Buyer in respect of the Disclosure Statement.

This Disclosure Statement relates to a development property that is not yet completed, and 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.

Buyer's Signature_____
Buyer's Signature

1.2 **Offer to Purchase.** The Buyer hereby offers to purchase from the Seller (the "**Offer**") Lot _____, to be created from a subdivision plan registered in respect of the development known as "Marina Estates" (the "**Development**") over the lands legal described as Lot B, District Lot 10348 Kootenay District Plan EPP101154 and as shown on the proposed subdivision plan attached as **Schedule D** (collectively, the "**Property**").

1.3 **Purchase Price and Deposit.** The purchase price (the "**Purchase Price**") for the Property (not including GST or any other applicable value added or sales tax) is _____ Dollars \$ _____. The Purchase Price will be paid by the Buyer in lawful money of Canada as follows:

- a) a deposit (the "**Initial Deposit**"), of not less than \$10.00, accompanies this Offer, which the Seller acknowledges by accepting this Offer; \$ _____
- b) a deposit (the "**Second Deposit**") of 10% of the Purchase Price (less the Initial Deposit) payable within seven (7) days of the Seller accepting this Offer; \$ _____
- (the Initial Deposit and the Second Deposit collectively, the "**Deposit**"); and
- d) the balance of the Purchase Price, subject to adjustments described herein, payable on the Completion Date (as defined in section 2 of **Schedule A**). \$ _____

All amounts comprising the Deposit will be payable by cheque, certified cheque or bank draft to "**Leffler Law Office, in trust**".

1.4 **Completion Date.** The Buyer acknowledges that the Completion Date will be set by the Seller in accordance with section 2 of **Schedule A**. The Seller presently anticipates the Completion Date will occur between May 1, 2021 to July 31, 2021, however, these are estimates only and the Seller does not guarantee the Completion Date will occur within those dates. In no event will the Completion Date occur later than two (2) years from the date the Seller accepts this Offer (the "**Outside Completion Date**") unless otherwise agreed to in writing by the Buyer and Seller.

1.5 **Bare Land.** The Buyer is purchasing bare land only with water and sewer services provided to the lot line of the Property, and no further improvements. The Buyer agrees that the construction of a residential home and all related improvements on the Property (collectively, the "**Residential Home**") will be completed by the Buyer after the Completion Date in accordance with the terms set out in **Schedule F**.

1.6 **Buyer's Lawyers:** _____
(if not known at the time this Offer is made, the Buyer may confirm prior to the Completion Date).

1.7 **Acceptance.** This Offer is open for acceptance by the Seller on or before _____, 20____ and upon acceptance, evidenced by the Seller signing a copy of this Offer, there will be a binding agreement of purchase and sale of the Property (the "**Agreement**") for the Purchase Price on the terms and conditions herein contained.

INITIALS

--	--

1.8 **Additional Terms and Conditions.** By signing below the Buyer acknowledges and agrees that they have read and agree to the additional terms contained in **Schedule A** attached to this Agreement (and any other Schedules attached to this Agreement) which form part of this Offer and, if accepted by the Seller, this Agreement.

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

[If Buyer is individual]

WITNESS:

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

[If Buyer is corporation]

[Corporate Name of Buyer]

Per: _____ (seal)
Authorized Signatory

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

KV PROPERTIES INC.

Per: _____
Authorized Signatory

SCHEDULE A
MARINA ESTATES
PRE-CONSTRUCTION CONTRACT
ADDITIONAL TERMS

I. DEPOSIT, COMPLETION DATE, AND POSSESSION

1. **Deposit.** The Buyer will pay the Initial Deposit to **Leffler Law Office, in trust** forthwith upon execution of this Agreement by the Buyer. The Initial Deposit, and the balance of the Deposit, will be made by way of a cheque, certified cheque, or bank draft payable to **Leffler Law Office, in trust**. No interest on the Deposit will be paid or payable to the Buyer. In the event that the Seller fails to complete this transaction on the Completion Date then the Deposit will be refunded forthwith to the Buyer in full satisfaction of any claims the Buyer may have against the Seller.
2. **Completion Date.** The Seller will give the Buyer written notice in accordance with section 23 below (the "**Closing Notice**") of the date the Seller expects both that the Property will be capable of being occupied and that a transfer of the Property to the Buyer can be registered at the applicable Land Title Office (the "**Completion Date**"). The Completion Date will be at least 14 days after the Closing Notice has been delivered to the Buyer. Subject to the operation of sections 3 and 4, the completion of the purchase and sale of the Property will take place on the Completion Date. In the event the applicable Land Title Office is closed on the Completion Date, the Completion Date will be extended to the next day a transfer of the Property to the Buyer can be registered in the applicable Land Title Office.
3. **Occupancy.** If the Property is not capable of being conveyed on the Completion Date, then the Seller may delay the Completion Date set out in section 2, as may also be extended by section 4, from time to time as required by the Seller until the Property is capable of being conveyed by providing the Buyer, or the lawyer or notary public appointed to represent the Buyer (the "**Buyer's Lawyers**"), with at least 24 hours notice of such delay and the new Completion Date. Whether the Property is capable of being conveyed refers to the Property only and not to any other lot within the Development.
4. **Delay.** If the Seller is delayed in completing the servicing of the Development, registering the subdivision plan creating title to the Property, or in performing any other obligation under this Agreement by (a) reason of unforeseen circumstances including earthquake, fire, explosion, accident, act of any government authority, strike, lockout, inability to obtain or delay in obtaining any labour, materials or equipment, flood, act of God, delay or failure by carriers or contractors, climatic conditions, or (b) by any other reason or circumstance beyond the exclusive control of the Seller, then the time within which the Seller must do anything in connection with this Agreement, and the Completion Date established in accordance with sections 2 and 3, will be extended by the period equivalent to the period of such delay as set out in written notice from the Seller to the Buyer, which notice will include the new extended Completion Date. For greater clarity, delays in connection with public health declarations, COVID-19 quarantine order, government agency slowdown or closures, and similar events are deemed to be circumstances beyond the exclusive control of the Seller.

5. **Outside Completion Date.** Notwithstanding sections 2, 3 and 4, if the Completion Date has not occurred prior to the Outside Completion Date, and the Buyer and Seller have not entered into a written addendum extending the Outside Completion Date, then this Agreement will be null and void, whereupon the Buyer will be entitled to repayment of the Deposit and neither party will have any claim against the other party under or in respect of this Agreement.
6. **Possession.** The Buyer will have vacant possession of the Property on 12:01 a.m. Pacific time the day following the Completion Date.

II. CONVEYANCE

7. **Closing Documents.** The Buyer will prepare the documents necessary to complete this transaction and will deliver a Form A—Freehold Transfer (the “**Form A Transfer**”), statement of adjustments, and other documents reasonably required by the Seller, to the Seller’s Lawyers in registerable form where necessary at least five (5) days prior to the Completion Date (the “**Closing Documents**”). The Seller will not be required to sign certificates containing additional representations and warranties not contained in this Agreement. The Seller will not be required to close this transaction utilizing the CBA Standard Undertakings and may rely on the closing procedures and undertakings required by the Seller’s Lawyers. The Buyer will bear all costs of preparing and registering the Closing Documents and delivering the Purchase Price to the Seller. The Seller will bear all costs of providing clear title to the Property.
8. **Title.** On the Completion Date, the Seller will cause title in the Property to be transferred to the Buyer free and clear of all registered liens, charges and encumbrances of any nature whatsoever (the “**Charges**”) save and except:
- (a) the exceptions listed in subsection 23(2) of the *Land Title Act* (British Columbia);
 - (b) the legal notations set out in the Disclosure Statement;
 - (c) the encumbrances and proposed encumbrances set out in the Disclosure Statement;
 - (d) any other easements, rights-of-way, and any development covenants or agreements in favour of utilities, public authorities and other parties as required by them; and
 - (e) claims of builder’s liens if the Seller’s Lawyer has undertaken to remove same in accordance with section 9 below;
- (collectively, the “**Permitted Encumbrances**”)

and on or before the Completion Date, the Seller will have taken whatever steps are necessary in order to obtain or make arrangements for any release or discharge of any registered Charges save and except the Permitted Encumbrances.

9. **Seller’s Financing.** The Buyer acknowledges and agrees that the Seller may be using the purchase monies received from the Buyer to obtain a partial discharge of the Charges from the Property and that therefore the Property may not be free and clear of the Charges on the Completion Date. The Buyer’s Lawyers will pay the balance of the adjusted Purchase Price on the Completion Date to the Seller’s Lawyers in trust on their undertaking to pay the amount required by the holder of the Charge to legally obligate the holder of the Charge to provide the Seller’s Lawyers with a registrable partial discharge of such Charge as it relates to the Property and to register the discharge of the Charge from title to the Property once received and, in the case of a claim of builder’s lien on the Seller’s Lawyers’ undertaking to pay the amount sufficient to cause same to be discharged within thirty (30) days after the Completion Date, or such later period of time as may

be necessary in the circumstances provided the Seller is diligently proceeding to obtain such discharge including by paying all or part of the Purchase Price received into court in exchange for a court order ordering the release of the builder's lien.

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

Completion Date. This Agreement creates contractual rights only between the Buyer and the Seller and not an interest in land.

III. TAXES, ADJUSTMENTS, AND RISK

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

IV. DESCRIPTION OF PROPERTY

18. **Property.** The Buyer acknowledges and agrees that (a) the Buyer is purchasing bare land only and the Property includes water and sewerage services to the lot line of the Property and no further improvements, (b) the Buyer has circled and initialed the Property as set out in **Schedule D**, (c) the Buyer is purchasing the Property substantially in accordance with the subdivision plan attached to the Disclosure Statement, and (d) in the event of any conflict or discrepancy between the Property as described in the proposed subdivision plan, any Marketing Material (as defined in section 33), and the actual size, dimensions, or configuration of the Property, as set out in final subdivision plan to be registered in respect of the Development, the final subdivision plan will prevail and the Buyer will not be entitled to any compensation for such variations or discrepancies.
19. **Service Facilities.** The Buyer acknowledges and agrees that the Development, including the Property, may include service facilities and equipment such as transformers, fire hydrants, underground pipes and conduits, and other such facilities and equipment required by municipal authorities and any other authority having jurisdiction over the Development. These service facilities will be located within the Property and the Development as required by municipal authorities and any other government authorities having jurisdiction or as recommended by the Seller's consultants. The Buyer acknowledges and agrees that the current plans for the Property and the Development may not indicate the location of all such service facilities and the Seller reserves the right to relocate, add, and/or delete all or a portion of the service facilities as is deemed necessary by the Seller, all without compensation to the Buyer.
20. **Civic Address.** The civic address relating to the Property and the address assigned to the Development as of the date hereof are subject to change at the discretion of the Seller all without compensation to the Buyer.

V. ASSIGNMENT

21. **Assignment.** The Buyer may only assign their interest in the Property or their rights under this Agreement or direct the transfer of the Property to another or an additional party (each an "**Assignment**") in accordance with all of the following: (a) the Assignment must occur on or before a date that is at least thirty (30) days

prior to the Completion Date; (b) the Buyer has paid the Deposit in accordance with this Agreement on or before the date of the Assignment; (c) the Seller's form of assignment agreement is used; (d) the Seller will be entitled to any profit resulting from an Assignment of this Agreement by the Buyer (and any subsequent assignee); and (e) the Buyer has obtained the Seller's written consent to the Assignment, which consent may be unreasonably withheld or subject to further conditions as determined by the Seller in its sole discretion. If the conditions set out in this section are not satisfied then the Seller will not be required to convey the Property on the Completion Date to anyone other than the Buyer named herein. In no event will an Assignment release or discharge the Buyer from any of their obligations or liabilities to the Seller under this Agreement.

22. **No Advertising.** The Buyer will not advertise or solicit offers from the public with respect to the assignment or resale of the Property or the Buyer's rights under this Agreement prior to the Completion Date without the prior written consent of the Seller, which consent may be unreasonably withheld.

VI. MISCELLANEOUS

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

- (e) as required by law; and
- (f) for additional purposes identified when or before the information is collected.

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

33. **Domestic Power Holdback.** In the event B.C. Hydro has not completed the work required to provide domestic power to the lot line of the Property (the “**B.C. Hydro Work**”) on or before the Completion Date, the Seller may require the Buyer to complete the purchase and sale of the Property on the Completion Date provided that: (a) the Developer has paid all required design fees to B.C. Hydro to have the plans and specifications for the B.C. Hydro Work approved by B.C. Hydro, (b) all site preparation work within the Development required for the B.C. Hydro Work to proceed has been completed, and (c) the Buyer will be permitted to retain a holdback of \$20,000.00 from the Purchase Price (the “**Domestic Power Holdback**”) until the earlier of (i) completion of the B.C. Hydro work and (ii) 120 calendar days from the Completion Date. In the event (i) occurs, the Holdback will be promptly released to the Seller. In the event (ii) occurs, the Holdback will be promptly released to the Buyer in full satisfaction of any claims the Buyer may have against the Seller in connection with the B.C. Hydro Work and the Buyer will be permitted to complete the B.C. Hydro Work at their cost. The Holdback will be held in the Buyer’s lawyer’s trust account until released in accordance with the foregoing.

**SCHEDULE B
MARINA ESTATES
PRE-CONSTRUCTION CONTRACT
BUYER'S SUBJECT CONDITIONS**

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

(a) On or before _____, the Buyer _____

_____ ("Condition A")

(b) On or before _____, the Buyer _____

_____ ("Condition B")

(c) On or before _____, the Buyer _____

_____ ("Condition C")

The above conditions are for the Buyer's sole benefit and may be waived unilaterally by the Buyer at any time. If the Buyer does not give the Seller notice of the satisfaction or waiver of the above conditions by the times and dates so stated, the Buyer's obligation to complete the purchase of the Property will be at an end, the Seller will return to the Buyer the Deposit and this Agreement will be terminated without further recourse by either party. In consideration of this Agreement, \$10.00 non-refundable paid by the Buyer to the Seller and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Seller, the Seller agrees not to revoke this Agreement while it remains subject to the foregoing conditions. The Parties agree that this Agreement will become an unconditional contract for the purchase and sale of the Property forthwith upon the satisfaction or waiver of the foregoing conditions.

**SCHEDULE C
MARINA ESTATES
PRE-CONSTRUCTION CONTRACT
REMOVAL OF BUYER'S SUBJECT CONDITIONS**

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

(a) Condition A	<i>[insert date]</i>	<i>[description of condition]</i>
------------------------	----------------------	-----------------------------------

Buyer's Signature

Buyer's Signature

(b) Condition B	<i>[insert date]</i>	<i>[description of condition]</i>
------------------------	----------------------	-----------------------------------

Buyer's Signature

Buyer's Signature

(c) Condition C	<i>[insert date]</i>	<i>[description of condition]</i>
------------------------	----------------------	-----------------------------------

Buyer's Signature

Buyer's Signature

INITIALS

--	--

**SCHEDULE D
MARINA ESTATES
PRE-CONSTRUCTION CONTRACT
PROPOSED SUBDIVISION PLAN**

[attach plan and circle subject property]

INITIALS

--	--

**SCHEDULE E
MARINA ESTATES
PRE-CONSTRUCTION CONTRACT
ADDITIONAL ADDENDUM**

Addendum Date: _____.

Addendum Number: _____.

This Addendum is made further to the Agreement dated _____, between the Seller and _____
[insert Buyers names and addresses], and the parties hereby agree as follows:

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper has a slight shadow on the right side, suggesting it's resting on a surface.

--	--

SCHEDULE F
MARINA ESTATES
PRE-CONSTRUCTION CONTRACT
CONSTRUCTION REQUIREMENTS

1. **Bare Land Only.** The Buyer is purchasing bare land only with water and sewer services provided to the lot line of the Property, and no further improvements.
2. **Construction.** The Buyer agrees to construct the Residential Home on the Property in accordance with all applicable zoning and building bylaws and regulations, the requirements of the Regional District of East Kootenay, the Building Scheme and Design Guidelines (both as defined in the Disclosure Statement) and any covenants registered on title to the Property (collectively, the “**Construction Requirements**”). The Construction Requirements are incorporated by reference into this Agreement for the purposes contemplated by this **Schedule F**.
3. **Design Review Coordinator.** The Seller reserves the right to delegate to its affiliate, authorized agent, or assignee (the “**Design Review Coordinator**”), the Seller’s approving authority under the Building Scheme and Design Guidelines and references to the Seller’s approving authority in this **Schedule F** include reference to the Design Review Coordinator.
4. **Design Review Fee.** The Buyer agrees to comply with the Building Scheme and Design Guidelines and to construct a Residential Home in accordance with the designs as represented in plans and specifications prepared by the Buyer and presented to and approved by the Seller and within the timelines required by the Building Scheme and Design Guidelines. The Buyer agrees that all requests for approval under the Design Guidelines will be accompanied by a non-refundable design review fee of **\$1,250.00** (the “**Design Review Fee**”).

The Design Review Fee will be paid by the Seller to the Design Review Coordinator in consideration of the Design Review Coordinator performing one review of the Buyer’s proposed plans and specifications to determine their overall compliance with the Building Scheme and Design Guidelines. If the initial plans and specifications do not comply with the Building Scheme and Design Guidelines, the Design Review Coordinator may charge an hourly rate (based on industry standard rates) for further review of subsequent plans and specifications submitted for approval.

The Seller reserves the right to approve or reject a plan or design for any Residential Home as it deems necessary for the better aesthetic appearance or function of the Development or for the better application of the Building Scheme and Design Guidelines and the Buyer agrees to comply with the Seller’s decision with respect to plans and specifications without the need for any compensation to the Buyer. The Buyer further agrees that the approval is not a warranty as to the fitness of the Residential Home or its compliance with applicable zoning and building bylaws and regulations, requirements of the Regional District of East Kootenay, or covenants registered on title to the Property.

The Buyer will not change the plans or specifications once approved unless the Seller agrees. Any cost or expense to the Seller or the Design Review Coordinator associated with any changes to the approved plans or specifications requested by the Buyer will be paid for by the Buyer, including the cost of the Design Review Coordinator’s time based on industry standard rates.

5. **Neat and Tidy Condition:** The Buyer agrees, at all times, to maintain the Property (and adjacent lands) in a neat and tidy condition during construction. The Buyer further agrees that until a Residential Home has been constructed on the Property, the Property will not be used for the storage of any materials whatsoever, whether natural or man-made including without limitation wood, stone, gravel, earth, building materials, trailers, mobile homes, recreation vehicles or boats PROVIDED that this restriction will not prohibit the Buyer from keeping building materials, trailers or related storage facilities on the Property during construction of the Buyer's Residential Home on the Property so long as they are being used in the course of construction of such home. Should the Buyer fail to regularly maintain the Property as herein provided within seven (7) days of delivery of a request from the Seller to do so, the Seller may, at its option, cause such work to be carried out, the cost of which will be a debt owed by Buyer to the Seller.
6. **Contractor Obligations:** The Buyer agrees to include as part of any contract with its construction and landscaping contractors the following requirements:
- a) Comply with all applicable laws, rules and regulations when undertaking construction activities on the Property, including those of WorkSafe BC, the Technical Safety BC, the Regional District of East Kootenay, and any other regulatory body having jurisdiction over construction activities on the Property.
 - b) Maintain property and general liability insurance in an amount not less than \$2,000,000.00 per occurrence.
 - c) Work within the stated boundaries of the Property.
 - d) Maintain a clean, litter-free construction site with no safety hazards and remove all trash and waste from the site on a regular basis.
 - e) Provide a self contained temporary washroom facility on the Property.
 - f) Ensure no damage to the adjacent land or landscaping and make good all damage caused to adjacent property and to completed work of the contractor and of others.

The Buyer further agrees to accept responsibility for the breach of any such terms by its construction and landscaping contractors.

7. **Assumption Agreement:** The Buyer agrees that if the Buyer sells or transfers the Property to any other person or entity (a "Transferee") prior to the Residential Home being substantially complete in accordance with the terms provided for herein, the Buyer will deliver to the Seller an agreement in the Seller's standard form executed by the Transferee pursuant to which the Transferee agrees to be bound by and assume the Buyer's construction obligations contained herein.



EXHIBIT G

SUMMARY OF LEGAL NOTATIONS AND ENCUMBRANCES

The following legal notations and charges will be registered against titles to the Lands (as defined in the Disclosure Statement) and are all “permitted encumbrances” for the purposes of, and subject to, the Purchase Agreement (as defined in the Disclosure Statement).

LEGAL NOTATIONS:

Easement CA2648356	<p>Hereto is annexed Easement CA2648356 over Lot 1 Plan EPP14443 Servient Tenement cancelled as to Strata Lots 1 to 122 inclusive Strata Plan EPS771 by CA2652035, 2011-07-11</p> <p>This Easement is a reciprocal easement in favour of the owner of Lot 2, Plan EPP14443, to permit access over common pathways and roadways which may be constructed in the Community.</p>
Easement CA2648358	<p>Hereto is annexed Easement CA2648358 over Lot 3 Plan EPP14443</p> <p>This Easement is a reciprocal easement in favour of the owner of Lot 2, Plan EPP14443, to permit access over common pathways and roadways which may be constructed in the Community.</p>
Easement CA2648359	<p>Hereto is annexed Easement CA2648359 over Lot 4 Plan EPP14443</p> <p>This Easement is a reciprocal easement in favour of the owner of Lot 2, Plan EPP14443, to permit access over common pathways and roadways which may be constructed in the Community.</p>

CHARGES, LIENS AND INTERESTS:

Easement CA2648357	<p>Registered July 10, 2012- appurtenant to Lots 1, 2 and 4 Plan EPP14443</p> <p>This Easement is a reciprocal easement in favour of the owner of Lots 1, 3 and 4 Plan EPP14443, to permit access over common pathways and roadways which may be constructed in the Community.</p>
Rent Charge CA2651891	<p>Registered July 11, 2012 in favour of Koocanusa Village Community Association</p> <p>This rent charge requires each owner to become a member of the Community Association, and pay each year the greater of \$1.00 and such additional amount that may be imposed from time to time by the Community Association in accordance with the Community Association’s annual budgets. The Community Association fees are intended to be used in furtherance of the Community Association’s purposes, as set out in Exhibit A.</p>

EXHIBIT G

2

CHARGES, LIENS AND INTERESTS:

Statutory Right of Way CA2620470	<p>Registered on June 26, 2012 in favour of Her Majesty The Queen in Right of British Columbia as represented by the Minister of Transportation and Infrastructure</p> <p>This Statutory Right of Way provides access to Lot 1, District Lot 10348 for the purposes of facilitating seasonal boat launching and retrieval to and upon the surface of Lake Koocanusa.</p>
Statutory Right of Way CA2652033	<p>Registered July 11, 2012 in favour of 0938534 B.C. Ltd. (the Water Utility)</p> <p>This Statutory Right of Way provides the right for 0938534 B.C. Ltd. to install and maintain a water system on Lot 2, Plan EPP14443.</p>
Statutory Right of Way CA2652034	<p>Registered July 11, 2012 in favour of 0938522 B.C. Ltd. (the Sewer Utility)</p> <p>This Statutory Right of Way provides for the installation of sewer, power, propane, telecommunication and cable systems and utilities on Lot 2, Plan EPP14443.</p>
Statutory Right of Way CA3563591 and CA3563592	<p>Registered January 24, 2014 in favour of British Columbia Hydro and Power Authority and Telus Communications Inc. respectively.</p> <p>This Statutory Right of Way grants BC Hydro and Power Authority and Telus Communications Inc. the right to install and maintain electrical and telecommunication utilities together with underground lines, cables, conduits, and ancillary works and equipment.</p>
Mortgage CA7663643	Registered August 1, 2019 in favour of 1213904 B.C. Ltd.
Assignment of Rents CA7663644	Registered August 1, 2019 in favour of 1213904 B.C. Ltd.
Covenant CA8309521	<p>Registered July 20, 2020 in favour of the Regional District of East Kootenay ("RDEK").</p> <p>This covenant prohibits constructing or placing any buildings or structures on the Land until a current Certificate of Public Convenience and Necessity for the Community Water System servicing the Land is provided to the RDEK.</p>
Covenant CA8309525	Registered July 20, 2020 in favour of the Regional District of East Kootenay and Her Majesty the Queen in Right of the Province of British Columbia, as represented by the Minister of Transportation and Infrastructure.

EXHIBIT G

3

CHARGES, LIENS AND INTERESTS:

	This covenant prohibits development of any kind on the lands unless performed in accordance with the covenant and the geotechnical report attached as a schedule to the covenant.
Priority Agreement CA8309522	Registered July 20, 2020 Granting Covenant CA8309521 priority over Statutory Right of Way CA2651891
Priority Agreement CA8309524	Registered July 20, 2020 Granting Covenant CA8309521 priority over Mortgage CA7663643 and Assignment of Rents CA7663644
Priority Agreement CA8309526	Registered July 20, 2020 Granting Covenant CA8309525 priority over Statutory Right of Way CA2651891
Priority Agreement CA8309528	Registered July 20, 2020 Granting Covenant CA8309525 priority over Mortgage CA7663643 and Assignment of Rents CA7663644



KAMLOOPS LAND TITLE OFFICE

LAND TITLE ACT
FORM C (Section 233) CHARGE

Jul-11-2012 16:32:43.031

CA2652033

GENERAL INSTRUMENT - PART 1 Province of British Columbia

PAGE 1 OF 9 PAGES

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

William Jerome
 MacDonald
 7STYS3

Digitally signed by William Jerome
 MacDonald 7STYS3
 DN: c=CA, ou=William Jerome
 MacDonald 7STYS3, o=Lawyer,
 ou=Verify ID at www.juricert.com/
 LKUP.cfm?id=7STYS3
 Date: 2012.07.11 15:33:57 -06'00'

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

MacDonald Thomas

1018 - 7th Avenue

PO Box 2400

Invermere

BC V0A 1K0

250-342-6921

LTO #: 10783

File #: 7909KAT

Document Fees: \$72.50

Deduct LTSA Fees? Yes ☒

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

SEE SCHEDULESTC? YES ☐

3. NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

SEE SCHEDULE

4. TERMS: Part 2 of this instrument consists of (select one only)

(a) ☐ Filed Standard Charge Terms D.F. No.(b) ☒ Express Charge Terms Annexed as Part 2

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument.

5. TRANSFEROR(S):

MARCER RANCHING LTD., INC. NO. 87000

6. TRANSFEREE(S): (including postal address(es) and postal code(s))

0938534 B.C. LTD.

BOX 17, SITE 11, RR #7

CALGARY

T2G 0A5

ALBERTA

CANADA

Incorporation No

BC0938534

7. ADDITIONAL OR MODIFIED TERMS:

n/a

8. EXECUTION(S): This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)

Kerri-Anne Thomas

Barrister & Solicitor

1018 - 7th Avenue

PO Box 2400

Invermere, BC V0A 1K0

Execution Date

Y	M	D
12	06	20

Transferor(s) Signature(s)

Marcer Ranching Ltd. by its
 authorized signatory:

Craig Douglas McMorran

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

EXHIBIT H

Status: Registered

Doc #: CA2652033

RCVD: 2012-07-11 RQST: 2020-02-05 16.53.29

FORM_D1_V18

**LAND TITLE ACT
FORM D****EXECUTIONS CONTINUED**

PAGE 2 of 9 pages

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

Kerri-Anne Thomas
Barrister & Solicitor
1018 - 7th Avenue
PO Box 2400
Invermere, BC V0A 1K0

Y	M	D
12	06	20

0938534 B.C. Ltd. by its authorized
signatory(ies):

Per: Dennis Hockett

Per: Vic Toews

(as to all signatures)

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

EXHIBIT H

Status: Registered

Doc #: CA2652033

RCVD: 2012-07-11 RQST: 2020-02-05 16.53.29

FORM_E_V18

**LAND TITLE ACT
FORM E**

SCHEDULE

PAGE 3 OF 9 PAGES

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

NO PID NMBR LOT 2, DISTRICT LOT 10348, KOOTENAY DISTRICT PLAN EPP14443

STC? YES

[Related Plan Number]

EPP14443

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

NO PID NMBR LOT 3, DISTRICT LOT 10348, KOOTENAY DISTRICT PLAN EPP14443

STC? YES

[Related Plan Number]

EPP14443

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

NO PID NMBR LOT 4, DISTRICT LOT 10348, KOOTENAY DISTRICT PLAN EPP14443

STC? YES

[Related Plan Number]

EPP14443

EXHIBIT H

Status: Registered

Doc #: CA2652033

RCVD: 2012-07-11 RQST: 2020-02-05 16.53.29

FORM_E_V18

**LAND TITLE ACT
FORM E****SCHEDULE**

PAGE 4 OF 9 PAGES

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

Statutory Right of Way

Entire Instrument

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

TERMS OF INSTRUMENT - PART TWO

THIS AGREEMENT made this ____ day of _____, 2012

BETWEEN:

Marcer Ranching Ltd., 4401 Macleod Trail S.W., Calgary, Alberta T2G 0A5
(the "Owner")

AND:

0938534 B.C. Ltd., Box 17, Site 11, RR #7, Calgary, Alberta T2G 0A5
(the "Provider")

WHEREAS:

A. The Owner is the Transferor described on page one of this Instrument and is the registered owner of the lands described in paragraph 2 on page 1 of this Instrument (the "Lands").

B. The Provider requires and the Owner wishes to grant to the Provider a statutory right of way, through, under and across the Lands for the purpose of constructing, installing, maintaining and operating a water system and ancillary works.

C. The Provider is a water utility company and is registered to accept statutory rights of way in the Lake Koocanusa area of the Province of British Columbia.

D. This statutory right of way is necessary for the operation and maintenance of the Provider's undertaking.

NOW THEREFORE in consideration of the premises contained in this Agreement, \$1.00 paid by the Provider to the Owner, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the parties agree as follows:

1. The Owner hereby grants and conveys in perpetuity and at all times to the Provider and the Provider's employees, agents, contractors and licensees, in common with others entitled thereto, the full, free and uninterrupted right, licence, liberty, privilege, easement and right of way in common with the Owner over the Lands:

- a) to enter over, on, in and under the Statutory Right of Way, with or without equipment or vehicles, to:
 - (i) conduct surveys and examinations;
 - (ii) dig up, remove and replace soil;

- (iii) construct, install, operate, maintain, clean, cover with soil, alter, relocate, renew, inspect and replace, water service, water mains, drains, power poles, transmission lines, pipes, culverts, retaining walls, wing walls, manholes, pumping meters, pumps, valves, and similar equipment, or any of them, together with all ancillary attachments and fittings (all of which are collectively called the "Works");

for the purpose of conveying, draining, pumping, containing, protecting, metering and treating water in connection with the provision of water service.

- b) to bring on to the Statutory Right of Way all materials and equipment the Provider requires or desires for the Works;
- c) to clear the Statutory Right of Way and keep in clear of anything which, in the opinion of the Provider, constitutes or may constitute an obstruction to the use of the Statutory Right of Way or to the Works;
- d) to make reasonable ancillary use of the Lands for carrying out the Works; and
- e) to do all acts, which in the opinion of the Provider, are incidental to the foregoing.

2. The Owner will:

- a) not do or permit to be done any act or thing which, in the opinion of the Provider, might interfere with, injure, impair the operating efficiency of, or obstruct access to or the use of the Statutory Right of Way or the Works;
- b) trim or, if necessary, cut down any tree or other growth on the Lands which, in the sole opinion of the Provider, constitutes or may constitute, a danger or obstruction to those using the Statutory Right of Way or to the Works;
- c) execute all further documents and things for the better assuring unto the Provider of the Statutory Right of Way or to the Works;
- d) permit the Provider to peaceably hold and enjoy the rights granted by this Agreement;
- e) maintain, care for and clean the surface of the Statutory Right of Way and remove grass and other growth from the surface of the Statutory Right of Way as required by the Provider and do all other things deemed by the Provider to be reasonably necessary for the safe use and preservation of the Statutory Right of Way; and
- f) maintain, care for, keep clean from garbage and noxious debris, and provide suitable landscaping, where applicable, for those Works within the Statutory Right of Way that are not normally maintained by the Provider including, but not limited to waterworks connections.

3. The Provider will:

- a) use the Statutory Right of Way and carry out the construction and maintenance of the Works in a good and workmanlike manner in order to cause no unnecessary damage or disturbance to the Owner, the Lands or any improvement on the Lands;
 - b) not bury, without the prior written consent of the Owner, debris or rubbish in excavations or backfill;
 - c) remove shoring and like temporary structures as backfilling proceeds;
 - d) remove all rubbish and construction debris it creates in order to leave the Statutory Right of Way in a reasonably neat and clean condition;
 - e) exercise care not to damage the Lands or any permitted improvements on the Lands and if the Provider should cause any such damage, restore such damaged Lands or permitted improvements thereon to as close to their pre-damaged condition as is reasonably practicable with reasonable dispatch or where the Provider deems restoration to be impracticable, reimburse the Owner for all damage the Provider has caused but not restored;
 - f) accept sole responsibility for only normal and usual maintenance of water works within the Statutory Right of Way, including but not limited to the waterworks mainline, mainline valves and fire hydrants; and
 - g) not to be unreasonable in its opinions herein.
4. No right granted to or reserved by the Provider in this Agreement will require the Provider to clean, repair, or maintain the Works or the Statutory Right of Way unless the Provider is expressly required in this Agreement to perform such cleaning, repairing or maintenance.
5. If the Provider deems it necessary or convenient to alter the location of the Statutory Right of Way or the Works, the Owner agrees to execute a new statutory right of way agreement in substantially the same form as this Agreement to authorize and protect the Statutory Right of Way in its new location and the Works in their new location and, on execution and registration of the new agreement, this Agreement will be deemed to be null and void and if the alteration is at the request of the Owner, the cost of the physical relocation of the Works and preparation, execution and registration of the amending statutory right of way agreement and plan will be borne by the Owner.
6. All chattels, equipment, supplies, fixtures or other materials comprising the Works or otherwise installed by the Provider over, on, in or under the Statutory Right of Way are and will remain the property of the Provider, any rule of law or equity to the contrary notwithstanding.

7. Should the Owner omit, fail or neglect to carry out one of its obligations contained in this Agreement or do some act contrary to its obligations contained in this Agreement, the Provider may give the Owner fourteen (14) days' written notice in the manner provided in this Agreement requiring the default to be cured; if the Owner fails to cure such default to the satisfaction of the Provider within the time specified, the Provider may enter onto the Lands and rectify such default to the extent considered necessary by it and the cost of doing so will be a debt due and owing to the Provider by the Owner with interest to accrue at the prime rate of the Bank of Montreal as of the date of the notice.
8. The Owner will, after execution of this Agreement by it, at the expense of the Owner, do or cause to be done all acts reasonably necessary to grant priority to this Agreement over all financial charges and encumbrances which may have been registered against the title to the Lands in the Land Title Office save and except those as have been specifically approved in writing by the Provider or have been granted in favour of the Provider.
9. The Owner will at all times and does hereby indemnify, save harmless, release and forever discharge the Provider from and against all manner of actions, causes of action, claims, debts, suits, damages, demands and promises, at law or in equity, whether known or unknown, including without limitation for injury to persons or property including death, or any person directly or indirectly arising or resulting from, or attributable to, any act, omission, negligence or default of the Owner in connection with or in consequence of this Agreement, save and except to the extent caused by any act, omission, negligence or default of the Provider, in which case the Provider will indemnify the Owner under section 10 of this Agreement.
10. The Provider will at all times and does hereby indemnify, save harmless, release and forever discharge the Owner from and against all manner of actions, causes of action, claims, debts, suits, damages, demands and promises, at law or in equity, whether known or unknown, including without limitation for injury to persons or property including death, of any person directly or indirectly arising or resulting from, or attributable to, any act, omission, negligence or default of the Provider in connection with or in consequence of this Agreement, save and except to the extent caused by any act, omission, negligence or default of the Owner, in which case the Owner will indemnify the Provider under section 9 of this Agreement.
11. Waiver of any default by either party will not be deemed to be a waiver of any subsequent default by that party.
12. This Agreement runs with the Lands.
13. Whenever it is required or desired that either party will deliver or serve a notice on the other, delivery or service will be deemed to be satisfactory if and deemed to have occurred when:
 - a) a director of the Provider or the Owner has been served personally, on the date of service; or

- b) mailed by prepaid registered mail, on the date received or on the sixth day after receipt of mailing by any Canada Post office, whichever is the earlier, so long as the notice is mailed to the party at the address provided in this Agreement or to whatever address the party may from time to time provide to the other party.
14. Wherever the singular or masculine is used in this Agreement, the same is deemed to include the plural or the feminine or the body politic or corporate as the context so requires.
15. Every reference to each party is deemed to include the heirs, executors, administrators, successors, assigns, employees, agents, officers, and invitees of such party wherever the context so requires or allows.
16. Nothing in this Agreement grants to the Provider any interest in the riparian or littoral rights of the Owner to the lands which may accrete to the Lands.
17. If any section, subsection, sentence, clause or phrase in this Agreement is for any reason held to be invalid by the decision of a court of competent jurisdiction, the invalid portion will be severed and the decision that it is invalid will not affect the validity of the remainder of the Agreement.
18. This Agreement will enure to the benefit of and be binding on the parties notwithstanding any rule of law or equity to the contrary.
19. This Agreement may be assigned by the Provider without the consent of the Owner.
20. This Agreement will be governed and construed in accordance with the laws of the Province of British Columbia.
21. Notwithstanding anything contained in this Agreement, neither the Owner named herein nor any future owner of the Lands or any portion of the Lands will be liable under any of the covenants and agreements contained herein where such liability arises by reason of an act or omission occurring after the Owner named herein or any future owner ceases to have a further interest in the Lands.
22. Wherever this Agreement creates a power or obligation of the Provider to make a decision or to exercise any contractual right or remedy, the Provider may do so in accordance with the provisions of this Agreement and no public law duty, whether arising from the principles of procedural fairness or the rules of natural justice, will have any application.

IN WITNESS WHEREOF the parties acknowledge that this Agreement has been duly executed and delivered by the parties executing Part 1 of Form C attached to and forming part of this Agreement.



TERMS OF INSTRUMENT - PART TWO

RENT CHARGE

BETWEEN:

KV PROPERTIES INC.

(the “**Transferor**”)

AND:

0938534 B.C. Ltd. (Inc. No.:BC0938534)

(the “**Transferee**”)

BACKGROUND

- A. The Transferor is the registered owner of the Lands as hereafter defined.
- B. The Transferee has been incorporated for the purpose of maintaining and operating a Waterworks System which will provide service to the Lands.
- C. The Transferee is a water utility within the meaning of the *Water Utility Act* (British Columbia), and is therefore subject to regulation by the Comptroller of Water Rights in all matters including Tariff rules, rates and charges.
- D. The Transferee has been granted a Certificate of Public Convenience and Necessity (**CPCN**) by the Comptroller of Water Rights of the Province of British Columbia to operate a waterworks system.
- E. The Transferee has installed a Waterworks System to service the Lands in accordance with the CPCN and filed water Tariff.
- F. The Transferor must pay an annual water availability of service charge being the Annual Fee for the Lands in the future and for any Future Lot or Lots until such time as the Transferor shall make application to connect the Lands or any Future Lot or Lots to the Waterworks System operated by the Transferee and thereafter, the Transferor shall pay to the Transferee the greater of the Annual Fee and the User Charge determined and set in accordance with the Tariff filed by the Transferee.
- G. The Transferor has agreed to grant to the Transferee a yearly Rent Charge against the Lands and any Future Lot or Lots to secure the Annual Fee.

AGREEMENTS

In consideration of the premises and other good and valuable considerations, the receipt and sufficiency of which each party acknowledges the parties agree as follows including under section 219 of the *Land Title Act* (British Columbia):

1. **Defined Terms**

In this Agreement:

- (a) **“Agreement”** means this agreement as it may be amended or supplemented from time to time;
- (b) **“Annual Fee”** means the annual water availability of service charge (rent charge) payable to the Transferee for the Lands or any Future Lot or Lots and determined in accordance with Section 3 hereof;
- (c) **“Business Day”** means any day from Monday to Friday, inclusive, except for any day that is a statutory holiday in British Columbia;
- (d) **“Comptroller of Water Rights”** means the comptroller of water rights appointed pursuant to the *Water Utility Act* (British Columbia) and the *Utilities Commission Act* (British Columbia);
- (e) **“Future Lot”** or **“Lots”** means in the singular or plural, any one or more of any portion of the Lands now, or at any time hereafter, constituting a single legally subdivided area in accordance with the requirements of the *Land Title Act* (British Columbia) or the *Strata Property Act* (British Columbia) and includes, without limitation, strata lots and air space parcels;
- (f) **“Lands”** means those lands and premises defined in Item 2 of the Form C General Instrument – Part 1, of which this Agreement forms part;
- (g) **“Tariff”** means the latest water tariff applicable to the Lands and filed by the Transferee with the Comptroller of Water Rights with respect to the water tariff which is available for inspection at the Transferee’s office;
- (h) **“Waterworks System”** means the works and system installed or to be installed by the Transferee for the provision of water services to the Lands;
- (i) **“User Charge”** means utility customer rates based on the Tariff for those connected and receiving water service.

2. Grant

The Transferor hereby grants to the Transferee for the term of infinite years a yearly rent charge over the Lands in the amount of the Annual Fee payable in respect of the Lands and every Future Lot or Lots which may be created by a further subdivision of the Lands and which rent charge shall be deemed to accrue from day to day but shall be:

- (a) paid in advance in installments according to the Transferee's Billing and Payment Section and Availability of Service (Rent Charge) Schedule of its filed Tariff, and
- (b) no longer applicable once a customer has received approval to connect to the Transferee's Waterworks System, has passed inspection and has been accepted by the Transferee as a customer. A pro-rated refund of the rent charge will be credited to the customer's account, if applicable.

3. Annual Fee

The Annual Fee shall be in accordance with the Transferee's filed Tariff.

4. Application of User Charge

Upon the Transferor making application to the Transferee to connect the Lands to the Waterworks System and upon the Transferor paying the User Charge in accordance with the filed Tariff from time to time, then the rent charge shall abate against the Lands to the extent of and in the amount of the User Charge which is paid in accordance with the Tariff PROVIDED HOWEVER that the Transferor has paid all arrears and interest owing to the Transferee including amounts owing under the rent charge.

5. Arrears

Any arrears of rent charge shall bear interest from the due date until payment at a rate of 18% per annum accruing daily, and shall be a charge upon the Lands or Future Lot or Lots in question in the same manner as the rent charge hereby charged on the Lands.

6. Changes in Rates

The Transferor covenants and agrees with the Transferee that a copy of this rent charge shall be filed with the approved Tariff of the Transferee and that the amount of the rent charge and any arrears stated herein may be amended by order of the Comptroller of Water Rights in the manner provided for the fixing of rates under the *Water Utility Act* (British Columbia).

7. Burden of Rent Charge

The Transferor covenants and agrees with the Transferee that the Transferor and all persons deriving title from the Transferor will at all times pay to the Transferee the rent charge at the times and in the manner herein provided for payment, and the rent charge shall be a burden upon and run with the Lands and each and every part into which the Lands may be subdivided.

8. Rights to Distrain

If default shall be made in payment of the rent charge or any part thereof, or interest, for a period of 60 days after the time for payment, then at any time thereafter in addition to any other remedies available to the Transferee in law, the Transferee may enter upon the Lands or any Future Lot or Lots and distrain for the installment or installments in arrears and to take, lead, drive, carry away and impound the distrained goods and chattels until the rent charge and the arrears and interest thereof if any, together with all costs and charges incurred by such distress or in obtaining payment of the rent charge shall be fully paid and satisfied.

9. Power of Sale

If the Transferor is in default of any payment hereby secured for a period of 180 days or more, the Transferee may immediately sell and dispose of the Lands or any Future Lot or Lots either by public auction or by private contract as the Transferee shall deem fit and proper and may rescind or vary any contract for the sale and resale without being responsible for any loss occasioned thereby and may convey and assure the same to the purchaser in fee simple and the Transferor hereby constitutes the Transferee, its successors and assigns, the attorney or attorneys irrevocable by death, infirmity or otherwise, of the Transferor, its heirs, executors or assigns, to make such conveyance or conveyances, PROVIDED HOWEVER that such power of sale shall not be exercised until after one month's previous notice in writing shall have been given to the Transferor either by delivery to the Transferor or by delivery to an adult person upon the Lands or any Future Lot or Lots or if vacant, by substitute service in the manner allowed under the Supreme Court Rules of the Province of British Columbia, upon the further proviso that the Transferor does not, before the making of the sale, pay the amount in default with interest thereon and the costs of any such notice and the proceedings of the sale and the further proviso that no legal proceedings shall be commenced in any court seeking any remedy against the Lands or any Future Lot or Lots without written consent of the Comptroller of Water Rights.

10. No Duty to Inquire

It is further agreed that notwithstanding the absolute disposition of the Lands or any Future Lot or Lots upon default, the rent charge shall survive and the purchaser in fee simple shall be subject to the terms of this Agreement, provided that no purchaser shall be bound to inquire whether any installment or installments of the rent charge is or are in arrears or as to the impropriety of irregularity of such sale and it shall, as regards to the purchasers or purchasers, be deemed within the powers hereby granted and be valid accordingly, and the remedy (if any) of the Transferor in respect of any impropriety or irregularity in such sale shall be in damages only and the purchaser or purchasers on the sale shall not be required to see the application of the proceeds of the sale or be accountable for any loss, misappropriation thereof.

11. Application of Funds

The monies realized by reason of the exercise of the power of sale shall be applied by the Transferee firstly in payment of expenses incurred in and about such sale or otherwise in relation to the Lands and then, in and towards satisfaction of the monies for the time being owing upon the security granted by these presents and then to pay the surplus, if any, the Transferor or as the Transferor may direct.

12. Further Rights of Transferee

It is further agreed that, notwithstanding the foregoing provisions for enforcement of the payments due herein, the Transferee, at its option, may bring or take legal action for payment in any court of competent jurisdiction.

13. Transfer to Taxing Authority

In the event that the Waterworks System operated by the Transferee shall at any time be taken over, transferred to or operated by any public authority having statutory taxing powers with respect to the Waterworks System, the Transferee shall release the Lands from the rent charge provided that the rent charge and all arrears and interest are paid in full to the date of release.

14. Priority

The Transferor will do or cause to be done at its expense all acts necessary for the Transferee to gain in priority for this rent charge over all liens, charges and encumbrances which are or may be registered against the Lands.

15. Enurement

It is hereby agreed that these presents and everything herein contained shall enure to the benefit of and be binding upon the parties hereto and their heirs, executors, administrators and assigns, respectively.

16. Release

Except for the provisions of Clause 13, the Transferee shall not release the Lands from the rent charge without the approval of the Comptroller of Water Rights.

17. Charge on Lands

The covenants of the Transferor contained herein will be personal and binding upon the Transferor in respect of the Lands and each and every Future Lot or Lots only during the Transferor's ownership of any interest in such Lands or Future lot or Lots but the Lands or Future Lot or Lots in question will nevertheless be and remain charged herewith.

18. No Waiver

Waiver of any default by either party shall not be deemed to be a waiver of any subsequent default by that party.

19. Governing Law

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

20. Severability

If any action, subsection, sentence, clause or phrase in this Agreement is for any reason held to be invalid by the decision of a court of competent jurisdiction, the invalid portion shall be severed and the provision that is invalid shall not affect the validity of the remainder of this Agreement.

21. Related Parties

Every reference to each party is deemed to include the heirs, executors, administrators, successors, assigns, employees, agents, officers and invitees of such part where the context so requires or allows.

TO EVIDENCE THEIR AGREEMENT each of the parties has executed this Agreement to be effective as of the date set out above by executing item 8 of the Form C – General Instrument Part 1.

CONSENT AND PRIORITY AGREEMENT

WHEREAS KOOCANUSA VILLAGE COMMUNITY ASSOCIATION (Inc. No.S0060030) (the "**Chargeholder**") is the holder of a Rent Charge (the "**Charge**") encumbering the lands (the "**Lands**") described in item 2 of the *Land Title Act* Form C attached hereto, which was registered in the Nelson Land Title Office under instrument number CA2651891.

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Rent Charge attached hereto (the "**Rent Charge**") and the Chargeholder hereby agrees that the Rent Charge will be binding upon its interest in and to the lands; and
2. grants to the transferee described in item 6 of the *Land Title Act* Form C attached hereto priority for the Rent Charge over the Chargeholder's right, title and interest in and to the Lands, and the Chargeholder does hereby postpone the Charge and all of its right, title and interest thereunder to the Rent Charge as if the Rent Charge had been executed, delivered and registered prior to the execution, delivery and registration of the Charge.

IN WITNESS WHEREOF the Chargeholder has duly executed this Consent and Priority Agreement by executing the *Land Title Act* Form C above which is attached hereto and forms part of this Agreement.

CONSENT AND PRIORITY AGREEMENT

WHEREAS 1213904 B.C. LTD. (Inc. No. BC1213904) (the "**Chargeholder**") is the holder of a Mortgage and Assignment of Rents (collectively called the "**Charges**") encumbering the lands (the "**Lands**") described in item 2 of the *Land Title Act* Form C attached hereto, which were registered in the Nelson Land Title Office under instrument numbers CA7663643 and CA7663644 respectively.

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Rent Charge attached hereto (the "**Rent Charge**") and the Chargeholder hereby agrees that the Rent Charge will be binding upon its interest in and to the Lands; and
2. grants to the transferee described in item 6 of the *Land Title Act* Form C attached hereto priority for the Rent Charge over the Chargeholder's right, title and interest in and to the Lands, and the Chargeholder does hereby postpone the Charges and all of its right, title and interest thereunder to the Rent Charge as if the Rent Charge had been executed, delivered and registered prior to the execution, delivery and registration of the Charges.

IN WITNESS WHEREOF the Chargeholder has executed and delivered this Consent and Priority Agreement by executing the *Land Title Act* Form C above which is attached hereto and forms part of this Agreement.



KAMLOOPS LAND TITLE OFFICE

LAND TITLE ACT
FORM C (Section 233) CHARGE

Jul-11-2012 16:32:43.032

CA2652034

GENERAL INSTRUMENT - PART 1 Province of British Columbia

PAGE 1 OF 11 PAGES

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

William Jerome
 MacDonald
 7STYS3

Digitally signed by William Jerome
 MacDonald 7STYS3
 DN: c=CA, ou=William Jerome
 MacDonald 7STYS3, o=Lawyer,
 ou=Verify ID at www.juricert.com/
 LKUP.cfm?id=7STYS3
 Date: 2012.07.11 15:32:34 -06'00'

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

MacDonald Thomas

1018 - 7th Avenue

PO Box 2400

Invermere

BC V0A 1K0

250-342-6921

LTO #: 10783

File #: 7909KAT

Document Fees: \$72.50

Deduct LTSA Fees? Yes ☒

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

SEE SCHEDULESTC? YES ☐

3. NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

SEE SCHEDULE

4. TERMS: Part 2 of this instrument consists of (select one only)

(a) ☐ Filed Standard Charge Terms D.F. No.(b) ☒ Express Charge Terms Annexed as Part 2

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument.

5. TRANSFEROR(S):

MARCER RANCHING LTD., INC. NO. 87000

6. TRANSFEREE(S): (including postal address(es) and postal code(s))

0938522 B.C. LTD.

BOX 17, SITE 11, RR #7

CALGARY

T2G 0A5

ALBERTA

CANADA

Incorporation No

BC0938522

7. ADDITIONAL OR MODIFIED TERMS:

n/a

8. EXECUTION(S): This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)

Kerri-Anne Thomas

Barrister & Solicitor

1018 - 7th Avenue

PO Box 2400

Invermere, BC V0A 1K0

Execution Date

Y M D

12 06 20

Transferor(s) Signature(s)

Marcer Ranching Ltd. by its
 authorized signatory:

Craig Douglas McMorran

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

EXHIBIT J

Status: Registered

Doc #: CA2652034

RCVD: 2012-07-11 RQST: 2020-02-05 16.53.29

FORM_D1_V18

**LAND TITLE ACT
FORM D****EXECUTIONS CONTINUED**

PAGE 2 of 11 pages

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

Kerri-Anne Thomas
Barrister & Solicitor1018 - 7th Avenue
PO Box 2400
Invermere, BC V0A 1K0

(as to all signatures)

Y	M	D
12	06	20

0938522 B.C. Ltd. by its authorized
signatory(ies):

Per: Dennis Hockett

Per: Vic Toews

(as to all signatures)**OFFICER CERTIFICATION:**

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

**LAND TITLE ACT
FORM E****SCHEDULE**PAGE 3 OF 11 PAGES

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

NO PID NMBR LOT 2, DISTRICT LOT 10348, KOOTENAY DISTRICT PLAN EPP14443

STC? YES

[Related Plan Number]

EPP14443

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

NO PID NMBR LOT 3, DISTRICT LOT 10348, KOOTENAY DISTRICT PLAN EPP14443

STC? YES

[Related Plan Number]

EPP14443

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

NO PID NMBR LOT 4, DISTRICT LOT 10348, KOOTENAY DISTRICT PLAN EPP14443

STC? YES

[Related Plan Number]

EPP14443

EXHIBIT J

Status: Registered

Doc #: CA2652034

RCVD: 2012-07-11 RQST: 2020-02-05 16.53.29

FORM_E_V18

**LAND TITLE ACT
FORM E****SCHEDULE**

PAGE 4 OF 11 PAGES

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

Statutory Right of Way

Entire Instrument

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

TERMS OF INSTRUMENT - PART TWO

THIS AGREEMENT made this ____ day of _____, 2012

BETWEEN:

Marcer Ranching Ltd., 4401 Macleod Trail S.W., Calgary, Alberta T2G 0A5
(the "Owner")

AND:

0938522 B.C. Ltd., Box 17, Site 11, RR #7, Calgary, Alberta T2G 0A5
(the "Provider")

WHEREAS:

A. The Owner is the Transferor described on page one of this Instrument and is the registered owner of the lands described in paragraph 2 on page 1 of this Instrument (the "Lands").

B. The Provider requires and the Owner wishes to grant to the Provider a statutory right of way, through, under and across the Lands for the purpose of constructing, installing, maintaining and operating a sewage collection system and ancillary works as well as any things and components necessary for power distribution, propane distribution, telecommunications and television cable service distribution.

C. The Provider is a sewage utility company and is registered to accept statutory rights of way in the Lake Koocanusa area of the Province of British Columbia.

D. This statutory right of way is necessary for the operation and maintenance of the Provider's undertaking.

NOW THEREFORE in consideration of the premises contained in this Agreement, \$1.00 paid by the Provider to the Owner, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, the parties agree as follows:

1. The Owner hereby grants and conveys in perpetuity and at all times to the Provider and the Provider's employees, agents, contractors and licensees, in common with others entitled thereto, the full, free and uninterrupted right, licence, liberty, privilege, easement and right of way in common with the Owner over the Lands:

- a) to enter over, on, in and under the Statutory Right of Way, with or without equipment or vehicles, to:
 - (i) conduct surveys and examinations;
 - (ii) dig up, remove and replace soil;
 - (iii) construct, install, operate, maintain, clean, cover with soil, alter, relocate, renew, inspect and replace;

1. sanitary sewer services, sewage lift stations, conduits, power poles, transmission lines, pipes, culverts, retaining walls, wing walls, manholes, pumping meters, pumps, valves, and similar equipment, or any of them, together with all ancillary attachments and fittings for the purpose of conveying, draining, pumping, containing, protecting, metering, treating and disposing of sewage, liquid waste and storm water in connection with the provision of sanitary sewer and storm sewer service;
 2. all things and components, in any combination and using any type of technology or means, necessary or convenient for the purposes of transmitting and distributing electricity and for the purposes of telephone and telecommunications, including underground lines, cables, conduits and pipes of every kind, together with all ancillary nodes, appliances, fittings, transformers either above ground or underground and all related works;
 3. all connectors, lines and all associated equipment for transmitting cable television service; and,
 4. all propane equipment, lines and connectors necessary to set up a propane grid distribution system (all of paragraph 1 (a) (3) collectively the "Works").
- b) to bring on to the Statutory Right of Way all materials and equipment the Provider requires or desires for the Works;
- c) to clear the Statutory Right of Way and keep in clear of anything which, in the sole opinion of the Provider, constitutes or may constitute an obstruction to the use of the Statutory Right of Way or to the Works;
- d) to make reasonable ancillary use of the Lands for carrying out the Works; and
- e) to do all acts, which in the opinion of the Provider, are incidental to the foregoing.
2. The Owner will:
- a) not do or permit to be done any act or thing which, in the opinion of the Provider, might interfere with, injure, impair the operating efficiency of, or obstruct access to or the use of the Statutory Right of Way or the Works;
- b) trim or, if necessary, cut down any tree or other growth on the Lands which, in the opinion of the Provider, constitutes or may constitute a danger or obstruction to those using the Statutory Right of Way or to the Works;
- c) execute all further documents and things for the better assuring unto the Provider of the Statutory Right of Way or to the Works;
- d) permit the Provider to peaceably hold and enjoy the rights granted by this Agreement;
- e) maintain, care for and clean the surface of the Statutory Right of Way and remove grass and other growth from the surface of the Statutory Right of Way as required by

the Provider and do all other things deemed by the Provider to be reasonably necessary for the safe use and preservation of the Statutory Right of Way; and

- f) maintain, care for, keep clean from garbage and noxious debris, and provide suitable landscaping, where applicable, for those Works within the Statutory Right of Way that are not normally maintained by the Provider including, but not limited to:
 - (i) sanitary sewer and storm drainage service connections;
 - (ii) storm drainage catch basins; and
 - (iii) storm drainage system inlets and outlets.

3. The Provider will:

- a) use the Statutory Right of Way and carry out the construction and maintenance of the Works in a good and workmanlike manner in order to cause no unnecessary damage or disturbance to the Owner, the Lands or any improvement on the Lands;
- b) not bury, without the prior written consent of the Owner, debris or rubbish in excavations or backfill;
- c) remove shoring and like temporary structures as backfilling proceeds;
- d) remove all rubbish and construction debris it creates in order to leave the Statutory Right of Way in a reasonably neat and clean condition;
- e) exercise care not to damage the Lands or any permitted improvements on the Lands and if the Provider should cause any such damage, restore such damaged Lands or permitted improvements thereon to as close to their pre-damaged condition as is reasonably practicable with reasonable dispatch or where the Provider deems restoration to be impracticable, reimburse the Owner for all damage the Provider has caused but not restored;
- f) accept sole responsibility for only normal and usual maintenance of sewer works within the Statutory Right of Way, including but not limited to:
 - (i) sanitary sewer mainline and manholes; and
 - (ii) storm drainage mainline and manholes; and
- g) not to be unreasonable in its opinions herein.

4. No right granted to or reserved by the Provider in this Agreement will require the Provider to clean, repair, or maintain the Works or the Statutory Right of Way unless the Provider is expressly required in this Agreement to perform such cleaning, repairing or maintenance.

5. If the Provider deems it necessary or convenient to alter the location of the Statutory Right of Way or the Works, the Owner agrees to execute a new statutory right of way

agreement in substantially the same form as this Agreement to authorize and protect the Statutory Right of Way in its new location and the Works in their new location and, on execution and registration of the new agreement, this Agreement will be deemed to be null and void and if the alteration is at the request of the Owner, the cost of the physical relocation of the Works and preparation, execution and registration of the amending statutory right of way agreement and plan will be borne by the Owner.

6. All chattels, equipment, supplies, fixtures or other materials comprising the Works or otherwise installed by the Provider over, on, in or under the Statutory Right of Way are and will remain the property of the Provider, any rule of law or equity to the contrary notwithstanding.
7. Should the Owner omit, fail or neglect to carry out one of its obligations contained in this Agreement or do some act contrary to its obligations contained in this Agreement, the Provider may give the Owner fourteen (14) days' written notice in the manner provided in this Agreement requiring the default to be cured; if the Owner fails to cure such default to the satisfaction of the Provider within the time specified, the Provider may enter onto the Lands and rectify such default to the extent considered necessary by it and the cost of doing so will be a debt due and owing to the Provider by the Owner with interest to accrue at the prime rate of the Bank of Montreal as of the date of the notice.
8. The Owner will, after execution of this Agreement by it, at the expense of the Owner, do or cause to be done all acts reasonably necessary to grant priority to this Agreement over all financial charges and encumbrances which may have been registered against the title to the Lands in the Land Title Office save and except those as have been specifically approved in writing by the Provider or have been granted in favour of the Provider.
9. The Owner will at all times and does hereby indemnify, save harmless, release and forever discharge the Provider from and against all manner of actions, causes of action, claims, debts, suits, damages, demands and promises, at law or in equity, whether known or unknown, including without limitation for injury to persons or property including death, or any person directly or indirectly arising or resulting from, or attributable to, any act, omission, negligence or default of the Owner in connection with or in consequence of this Agreement, save and except to the extent caused by any act, omission, negligence or default of the Provider, in which case the Provider will indemnify the Owner under section 10 of this Agreement.
10. The Provider will at all times and does hereby indemnify, save harmless, release and forever discharge the Provider from and against all manner of actions, causes of action, claims, debts, suits, damages, demands and promises, at law or in equity, whether known or unknown, including without limitation for injury to persons or property including death, of any person directly or indirectly arising or resulting from, or attributable to, any act, omission, negligence or default of the Provider in connection with or in consequence of this Agreement, save and except to the extent caused by any act, omission, negligence or default of the Owner, in which case the Owner will indemnify the Provider under section 9 of this Agreement.

11. Waiver of any default by either party will not be deemed to be a waiver of any subsequent default by that party.
12. This Agreement runs with the Lands.
13. Whenever it is required or desired that either party will deliver or serve a notice on the other, delivery or service will be deemed to be satisfactory if and deemed to have occurred when:
 - a) a director of the Provider or the Owner has been served personally, on the date of service; or
 - b) mailed by prepaid registered mail, on the date received or on the sixth day after receipt of mailing by any Canada Post office, whichever is the earlier, so long as the notice is mailed to the party at the address provided in this Agreement or to whatever address the party may from time to time provide to the other party.
14. Wherever the singular or masculine is used in this Agreement, the same is deemed to include the plural or the feminine or the body politic or corporate as the context so requires.
15. Every reference to each party is deemed to include the heirs, executors, administrators, successors, assigns, employees, agents, officers, and invitees of such party wherever the context so requires or allows.
16. Nothing in this Agreement grants to the Provider any interest in the riparian or littoral rights of the Owner to the lands which may accrete to the Lands.
17. If any section, subsection, sentence, clause or phrase in this Agreement is for any reason held to be invalid by the decision of a court of competent jurisdiction, the invalid portion will be severed and the decision that it is invalid will not affect the validity of the remainder of the Agreement.
18. This Agreement will enure to the benefit of and be binding on the parties notwithstanding any rule of law or equity to the contrary.
19. This Agreement may be assigned by the Provider without the consent of the Owner.
20. This Agreement will be governed and construed in accordance with the laws of the Province of British Columbia.
21. Notwithstanding anything contained in this Agreement, neither the Owner named herein nor any future owner of the Lands or any portion of the Lands will be liable under any of the covenants and agreements contained herein where such liability arises by reason of an act or omission occurring after the Owner named herein or any future owner ceases to have a further interest in the Lands.
22. Wherever this Agreement creates a power or obligation of the Provider to make a decision or to exercise any contractual right or remedy, the Provider may do so in accordance with the provisions of this Agreement and no public law duty, whether

Page 10 of 11

arising from the principles of procedural fairness or the rules of natural justice, will have any application.

IN WITNESS WHEREOF the parties acknowledge that this Agreement has been duly executed and delivered by the parties executing Part 1 of Form C attached to and forming part of this Agreement.

CONSENT AND PRIORITY

977230 Alberta Ltd. (the “Chargeholder”) being the holder of charges registered against the Covenantor’s Property or a part thereof in Kamloops Land Title Office under instrument numbers LB62234, LB62235, LB107283 and LB139618 respectively (the “Charges”) HEREBY CONSENTS TO the registration of the Statutory Right of Way and agree that THEY SHALL HAVE PRIORITY over the Chargeholder’s right, title and interest in and to the Covenantor’s Property described in the Mortgages and Assignment of Rents and Right of First Refusal and the Chargeholder does hereby postpone the Charges, and all of their right, title and interest thereunder, to the Statutory Right of Way as if it had been executed, delivered and registered prior to this execution, delivery and registration of the Charges.

As evidence of an agreement to be bound by the terms of this instrument, the Chargeholder has executed the Land Title Office Form D, which is attached hereto and which forms part of this Agreement.



TERMS OF INSTRUMENT - PART TWO

RENT CHARGE

BETWEEN:

KV PROPERTIES INC.

(the “Transferor”)

AND:

0938522 B.C. Ltd. (Inc. No.:BC0938522)

(the “Transferee”)

BACKGROUND

- A. The Transferor is the registered owner of the Lands as hereafter defined.
- B. The Transferee has been incorporated for the purpose of maintaining and operating a Sewer System which will provide service to the Lands;
- C. The Transferee is a sewer utility company and is registered to accept Statutory Right of Ways in the Lake Koocanusa area of British Columbia;
- D. The Transferee has agreed to construct and maintain the Sewer System in order to provide service to the Lands in the future and to any Future Lot or Lots (as hereafter defined) created by a further subdivision of the Lands, upon the condition that the Transferor will pay an annual sewer availability of service charge being the Annual Fee herein described for the Lands and any Future Lot or Lots, until such time as the Transferor applies to connect the Lands or any Future Lot or Lots to the Sewer System operated by the Transferee and thereafter the Transferor shall pay to the Transferee the greater of the Annual Fee and the Sewer Users’ Charge determined and in accordance with the Transferee’s rates then in effect; and
- E. The Transferor has agreed to grant to the Transferee a yearly rent charge against the Lands to secure the obligations hereunder.

AGREEMENTS

In consideration of the premises and other good and valuable considerations, the receipt and sufficiency of which each party acknowledges the parties agree as follows including under section 219 of the *Land Title Act* (British Columbia):

1. Defined Terms

In this Agreement:

- (a) **"Agreement"** means this agreement as it may be amended or supplemented from time to time;
- (b) **"Annual Fee"** means the annual sewer availability of service charge for the Lands and any Future Lot or Lots determined in accordance with section 3 hereof;
- (c) **"Business Day"** means any day from Monday to Friday, inclusive, except for any day that is a statutory holiday in British Columbia;
- (d) **"Future Lot or Lots"** means in the singular or plural, any one or more of any portion of the Lands now, or at any time hereafter, constituting a single legally subdivided area in accordance with the requirements of the *Land Title Act* (British Columbia) or the *Strata Property Act* (British Columbia) and includes, without limitation, strata lots and air space parcels;
- (e) **"Lands"** means those lands and premises defined in Item 2 of the Form C General Instrument – Part 1, of which this Agreement forms part;
- (f) **"Sewer Users' Charge"** means the rates of the Transferee for those connected to and receiving services from the Sewer System; and
- (g) **"Sewer System"** means the works and system installed or to be installed by the Transferee for the provision of sewer services to the Lands;

2. **Grant**

The Transferor hereby grants to the Transferee for a term of forty (40) years a yearly rent charge over the Lands in the amount of the Annual Fee payable in respect of the Lands and every Future Lot or Lots which may be created by a further subdivision of the Lands and which rent charge shall be deemed to accrue from day to day but shall be paid in one installment on January 1st of each year. The Annual Fee shall become payable the 1st day of the month following registration of this instrument and continuing during any period that the Transferee provides sewer service to the Lands or any Future Lot or Lots. In the year of registration, the Annual Fee shall be determined by prorating the total Annual Fee by the number of calendar days remaining in the year.

3. **Annual Fee**

The Annual Fee shall be the sum of which is imposed from time to time by the Transferee in the manner provided for fixing of such rates and as notified by the Transferee from time to time to the Transferor.

4. **Application of User Charge**

Upon the Transferor making application to the Transferee to connect the Lands or any Future Lot or Lots to the Sewer System and upon the Transferor paying the Sewer Users' Charge in accordance with the rates from time to time issued by the Transferee, then the rent charge shall

abate against the Lands or Future Lot or Lots in question for as long as the Sewer Users' Charge is paid in accordance with the Transferee's tariff PROVIDED HOWEVER that the Transferor has paid all arrears and interest owing to the Transferee including amounts owing under the rent charge accrued to the date of the application for connection.

5. Arrears

Any arrears of rent charge shall bear interest from the due date until payment at a rate of eighteen percent (18%) per annum accruing on a daily basis, and shall be a charge upon the Lands or Future Lot or Lots in question in the same manner as the rent charge.

6. Burden of Rent Charge

The Transferor covenants and agrees with the Transferee that the Transferor and all persons deriving title from the Transferor will, at all times, pay to the Transferee the rent charge at the times and in the manner herein provided for payment, and the rent charge shall be a burden upon and run with the Lands and each and every part into which the Lands may be subdivided.

7. Remedies on Default

- (a) If default shall be made in payment of the rent charge or any part thereof, or interest with respect to the Lands or any Future Lot or Lots, for a period of sixty (60) days from the time for payment, then in addition to any other remedies available to the Transferee in law, the Transferee may:
 - (i) cease the provision of sewer services to the Lands or Future Lot or Lots in default; and
 - (ii) enter upon the Lands or Future Lot or Lots in default and distrain for the amount of the arrears, including interest, and take, carry away, impound, hold and keep the distrained goods and chattels until the arrears and interest thereon, together with all costs and charges incurred by the Transferee in carrying out such distraint proceedings, have been fully paid and satisfied;
- (b) If default shall be made in payment of the rent charge or any part thereof, or interest with respect to the Lands or any Future Lot or Lots, for a period of one hundred and eighty (180) days or more after the time for payment, the Transferee may immediately sell and dispose of the Lands or Future Lot or Lots in default either by public auction or by private contract as the Transferee shall deem fit and proper and may buy in, rescind or vary any contract for the sale and resale without being responsible for any loss occasioned thereby and may convey and assure the same to the purchaser in fee simple, and the Transferor hereby constitutes the Transferee, its successors and assigns, the attorney or attorneys irrevocable by death or otherwise, of the Transferor, its heirs, executors, successors or assigns to make such conveyance or conveyances, PROVIDED HOWEVER that such power of sale shall not be exercised until after one month's previous notice in writing of such sale shall have been given to the transferor or owner from time to time of the Lands or Future Lot or Lots in default, either by delivery to the

Transferor or then current owner of the Lands or Future Lot or Lots in default or by delivery to an adult person upon the Lands or Future Lot or Lots in default or, if vacant, by substitute service in the manner allowed under the Supreme Court Rules of the Province of British Columbia, upon the further proviso that the Transferor or the current owner of the Lands or Future Lot or Lots in question does not, before the making of the sale, pay the amount in default with interest thereon and the costs of any such notice and the proceedings of the sale.

8. Further Rights of the Transferee

Notwithstanding the provisions of paragraph 7, the Transferee may, at its option, take all such other remedies in contract or otherwise that may be available to it.

9. No Duty to Inquire

It is further agreed that notwithstanding the absolute disposition pursuant to subsection 7(b) hereof of the Lands or any Future Lot or Lots in default, the rent charge shall survive and the purchaser in fee simple shall be subject to the terms of this Agreement, provided that no purchaser shall be bound to inquire whether any installment or installments of the rent charge is or are in arrears or as to the impropriety or irregularity of such sale and it shall, as regards to the purchasers or purchasers, be deemed within the powers hereby granted and be valid accordingly, and the remedy (if any) of the Transferor in respect of any impropriety or irregularity in such sale shall be in damages only and the purchaser or purchasers on the sale shall not be required to see the application of the proceeds of the sale or be accountable for any loss, misappropriation or misapplication thereof.

10. Application of Funds

The monies realized by reason of the exercise of the power of sale pursuant to subsection 7(b) shall be applied by the Transferee firstly in payment of expenses incurred in and about such sale or otherwise in relation to the Lands or Future Lot or Lots and then, in and towards satisfaction of the monies for the time being owing upon the security granted by these presents and then to pay the surplus, if any, to the Transferor or as the Transferor may direct.

11. Debt Action

Notwithstanding the remedies available to the Transferee in section 7 hereof, the Transferee may, at its option, treat any arrears of rent charge or interest as a simple debt obligation, and may take legal action for payment of same in any court of competent jurisdiction. Any cost incurred by the Transferee to enforce payment of any rent charge (including legal fees and disbursements on a solicitor and client basis) will be a charge on the defaulting Lands or Future Lot or Lots in question in the same manner as the yearly rent charge.

12. Transfer to Taxing Authority

In the event that the Sewer System operated by the Transferee shall at any time be taken over, transferred to or operated by any public authority having statutory taxing powers with respect to the Sewer System, the Transferee shall release the Lands and any Future Lot or Lots from the rent

charge, provided that the rent charge and all arrears and interest with respect to the Lands or Future Lot or Lots are paid in full to the date of release.

13. **Priority**

The Transferor will do or cause to be done at its expense all acts necessary for the Transferee to gain in priority for this rent charge over all liens, charges and encumbrances which are or may be registered against the Lands or any Future Lot or Lots.

14. **Enurement**

It is hereby agreed that these presents and everything herein contained shall enure to the benefit of and be binding upon the parties hereto and their heirs, executors, administrators and assigns, respectively.

15. **Charge on Lands**

The covenants of the Transferor contained herein will be personal and binding upon the Transferor in respect of the Lands and each and every Future Lot or Lots into which the Lands may be further subdivided only during the Transferor's ownership of any interest in such Lands or Future Lot or Lots but the Lands or Future Lot or Lots in question will nevertheless be and remain charged herewith.

16. **No Waiver**

Waiver of any default by either party shall not be deemed to be a waiver of any subsequent default by that party.

17. **Governing Law**

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

18. **Act Reasonably**

The parties shall, at all times, be reasonable in exercising their rights, forming their opinions and performing their duties hereunder.

19. **Severability**

If any action, subsection, sentence, clause or phrase in this Agreement is for any reason held to be invalid by the decision of a court of competent jurisdiction, the invalid portion shall be severed and the provision that is invalid shall not affect the validity of the remainder of this Agreement.

20. Related Parties

Every reference to each party is deemed to include the heirs, executors, administrators, successors, assigns, employees, agents, officers and invitees of such part where the context so requires or allows.

TO EVIDENCE THEIR AGREEMENT each of the parties has executed this Agreement to be effective as of the date set out above by executing item 8 of the Form C – General Instrument Part 1.

CONSENT AND PRIORITY AGREEMENT

WHEREAS KOOCANUSA VILLAGE COMMUNITY ASSOCIATION (Inc. No.S0060030) (the "**Chargeholder**") is the holder of a Rent Charge (the "**Charge**") encumbering the lands (the "**Lands**") described in item 2 of the *Land Title Act* Form C attached hereto, which was registered in the Nelson Land Title Office under instrument number CA2651891.

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Rent Charge attached hereto (the "**Rent Charge**") and the Chargeholder hereby agrees that the Rent Charge will be binding upon its interest in and to the lands; and
2. grants to the transferee described in item 6 of the *Land Title Act* Form C attached hereto priority for the Rent Charge over the Chargeholder's right, title and interest in and to the Lands, and the Chargeholder does hereby postpone the Charge and all of its right, title and interest thereunder to the Rent Charge as if the Rent Charge had been executed, delivered and registered prior to the execution, delivery and registration of the Charge.

IN WITNESS WHEREOF the Chargeholder has duly executed this Consent and Priority Agreement by executing the *Land Title Act* Form C above which is attached hereto and forms part of this Agreement.

CONSENT AND PRIORITY AGREEMENT

WHEREAS 1213904 B.C. LTD. (Inc. No. BC1213904) (the "**Chargeholder**") is the holder of a Mortgage and Assignment of Rents (collectively called the "**Charges**") encumbering the lands (the "**Lands**") described in item 2 of the *Land Title Act* Form C attached hereto, which were registered in the Nelson Land Title Office under instrument numbers CA7663643 and CA7663644 respectively.

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Rent Charge attached hereto (the "**Rent Charge**") and the Chargeholder hereby agrees that the Rent Charge will be binding upon its interest in and to the Lands; and
2. grants to the transferee described in item 6 of the *Land Title Act* Form C attached hereto priority for the Rent Charge over the Chargeholder's right, title and interest in and to the Lands, and the Chargeholder does hereby postpone the Charges and all of its right, title and interest thereunder to the Rent Charge as if the Rent Charge had been executed, delivered and registered prior to the execution, delivery and registration of the Charges.

IN WITNESS WHEREOF the Chargeholder has executed and delivered this Consent and Priority Agreement by executing the *Land Title Act* Form C above which is attached hereto and forms part of this Agreement.



PLAN EPP14443

This plan lies within the East Kentenay Regional District.



KAMLOOPS LAND TITLE OFFICE

Jul-20-2020 09:00:13.003

EXHIBIT M

EPP101154

SURVEY PLAN CERTIFICATION
PROVINCE OF BRITISH COLUMBIA

0582

PAGE 1 OF 2 PAGES

Your electronic signature is a representation that you are a British Columbia land surveyor and a subscriber under section 168.6 of the *Land Title Act*, RSBC 1996 c.250. By electronically signing this document, you are also electronically signing the attached plan under section 168.3 of the act.

Keith Ekman
EP1Q6S

Digitally signed by
Keith Ekman EP1Q6S
Date: 2020.05.29
10:48:27 -06'00'

1. BC LAND SURVEYOR: (Name, address, phone number)

Keith W. Ekman

McElhanney Associates Land Surveying Ltd.

1800 Willowbrook Drive

Cranbrook

BC V1C 7H9

File:2442-20597-00-07

Phone 250-489-3013

email kekman@mcelhanny.com

☐ Surveyor General Certification [For Surveyor General Use Only]

2. PLAN IDENTIFICATION:

Control Number: **159-077-0907**Plan Number: **EPP101154**This original plan number assignment was done under Commission #: **582**LTO Document Reference: **CA8309516**

3. CERTIFICATION:

☒ Form 9☐ Explanatory Plan☐ Form 9A

I am a British Columbia land surveyor and certify that I was present at and personally superintended this survey and that the survey and plan are correct.

The field survey was completed on: 2020 March 24 (YYYY/Month/DD) The checklist was filed under ECR#:

The plan was completed and checked on: 2020 May 22 (YYYY/Month/DD) **235462**

☒ None ☐ Strata Form S☒ None ☐ Strata Form U1 ☐ Strata Form U1/U2Arterial Highway ☐Remainder Parcel (Airspace) ☐4. ALTERATION: ☐

THIS PLAN LIES WITHIN THE EAST KOOTENAY REGIONAL DISTRICT.



SUBDIVISION PLAN OF PART OF LOT B
DISTRICT LOT 10348 KOOTENAY
DISTRICT PLAN EPP101154

BCGS 82G.014

EXHIBIT N

PLAN EPP109367

DRAFT

20 10 0 20 40 60 80 100 Metres

THE INTENDED PLOT SIZE OF THIS PLAN IS
560mm IN WIDTH BY 864mm IN HEIGHT (D SIZE)
WHEN PLOTTED AT A SCALE OF 1:1000

LEGEND:

GRID BEARINGS ARE DERIVED FROM PLAN EPP101156 AND ARE
REFERRED TO THE CENTRAL MERIDIAN OF UTM ZONE 11 (117° WEST
LONGITUDE).

THE UTM ZONE 11 COORDINATES AND ESTIMATED ABSOLUTE ACCURACY
ACHIEVED ARE DERIVED FROM PLAN EPP101156.

THIS PLAN SHOWS HORIZONTAL GROUND-LEVEL DISTANCES, UNLESS
OTHERWISE SPECIFIED, TO COMPUTE GRID DISTANCES, MULTIPLY
GROUND-LEVEL DISTANCES BY THE AVERAGE COMBINED SCALE FACTOR
OF 0.999687. THE AVERAGE COMBINED SCALE FACTOR HAS BEEN
DETERMINED BASED ON AN ELLIPSOIDAL ELEVATION OF 738 METRES.

ALL DISTANCES ARE IN METRES.

- - DENOTES STANDARD IRON POST FOUND
- - DENOTES STANDARD CAPPED POST FOUND
- - DENOTES STANDARD CONCRETE POST FOUND
- - DENOTES COMMON PROPERTY
- SL - DENOTES STRATA LOT

BLOCK OUTLINE MONUMENTATION HAS BEEN
APPROVED FOR THIS SURVEY.

LTSA FILE NUMBER:

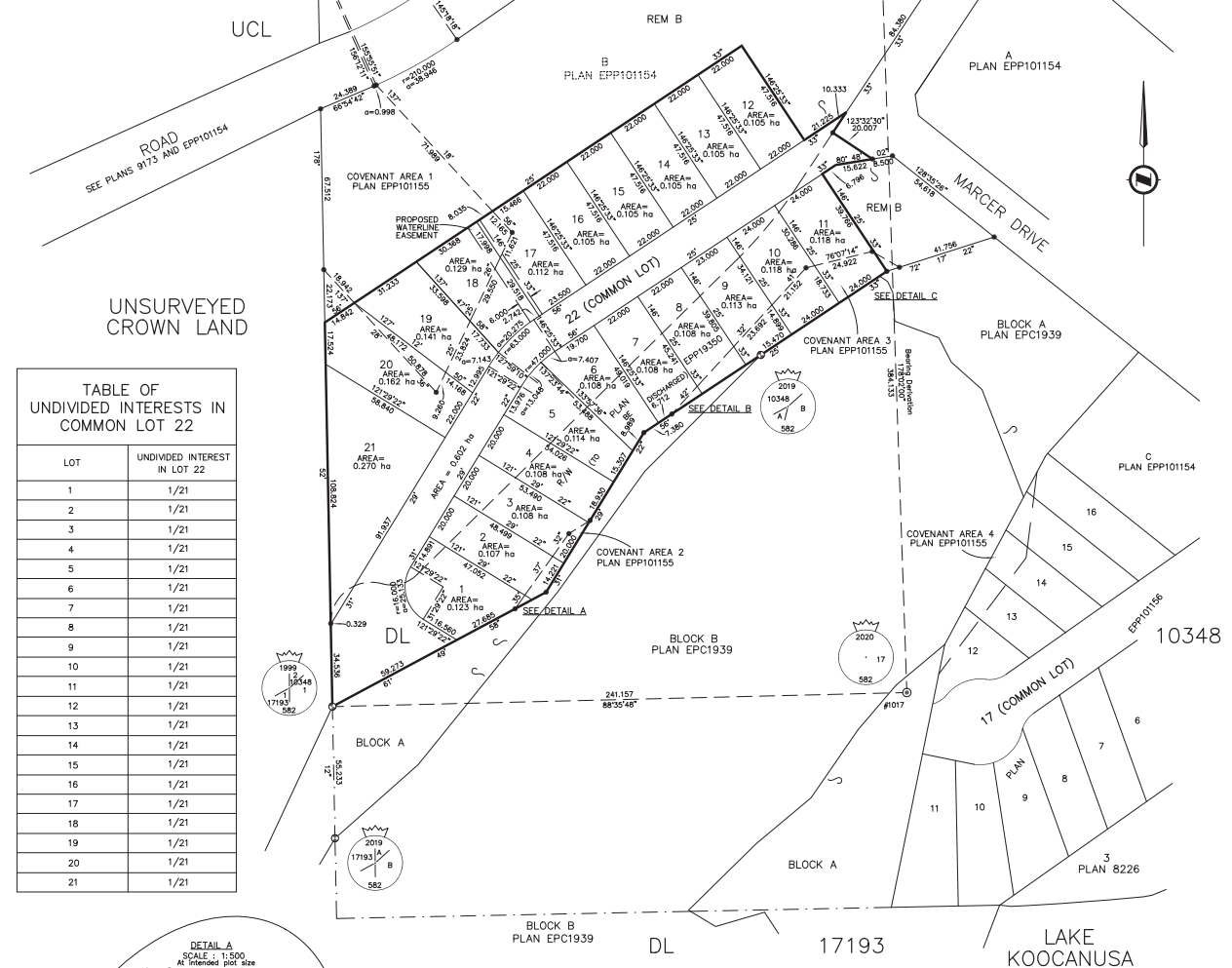
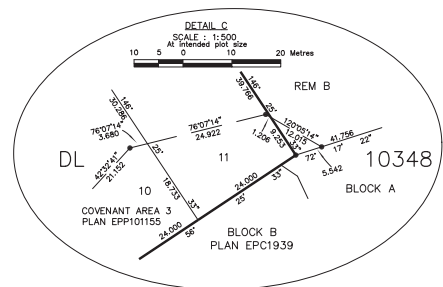
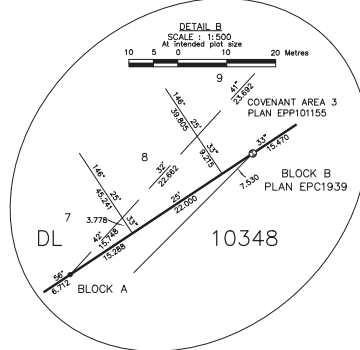
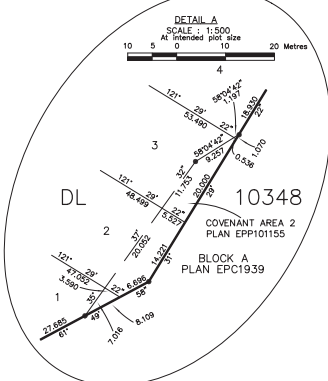


TABLE OF
UNDIVIDED INTERESTS IN
COMMON LOT 22

LOT	UNDIVIDED INTEREST IN LOT 22
1	1/21
2	1/21
3	1/21
4	1/21
5	1/21
6	1/21
7	1/21
8	1/21
9	1/21
10	1/21
11	1/21
12	1/21
13	1/21
14	1/21
15	1/21
16	1/21
17	1/21
18	1/21
19	1/21
20	1/21
21	1/21



DRAFT

McELHANNAY ASSOCIATES
LAND SURVEYING LTD.
1800 WILLOWBROOK DRIVE
CRANBROOK, BC V1C 7H9 250-488-3013
FILE: 2442-20597-01-01

A COVENANT IN THE NAME OF THE REGIONAL
DISTRICT OF EAST KOOTENAY PURSUANT TO
SECTION 219 OF THE LAND TITLE ACT IS A
CONDITION OF APPROVAL FOR THIS SUBDIVISION.

ACCESS BY COMMON LOT

THIS PLAN LIES WITHIN THE JURISDICTION OF
THE APPROVING OFFICER FOR THE MINISTRY
OF TRANSPORTATION AND INFRASTRUCTURE.
MOTI File: 2019-06646

TABLE OF GNSS CONTROL STATIONS DATUM NAD83 (CSRS V2002.0), UTM ZONE 11				
GNSS CONTROL STATION	UTM NORTHING	UTM EASTING	COMBINED FACTOR	ABSOLUTE ACCURACY
1012	5448650.83	627970.52	0.999683	0.05
1017	5448267.05	627983.70	0.999686	0.05

THE FIELD SURVEY REPRESENTED BY THIS PLAN WAS
COMPLETED ON THE xxth DAY OF Month, 20xx.

Ryan Richmond, BCLS 1004
THIS PLAN LIES WITHIN THE REGIONAL DISTRICT OF EAST KOOTENAY.



EXHIBIT O

Koocanusa Village Community Association

2020 Budget to Year End Dec 31,2020

Cash Balance Brought Forward \$18,966.68

<u>Income</u>	2020 Budget
Member Fees (\$100 per lot/Annum)	\$15,000.00
Grants	\$2,400.00
Interest Income	<u>\$275.00</u>
<u>Total Income</u>	<u>\$17,675.00</u>
<u>Expenses</u>	
<u>Events</u>	
Events - Donation Golf Tournament	\$200.00
Events Fireworks	<u>\$1,620.40</u>
<u>Events Total</u>	<u>\$1,820.40</u>
<u>Fire and Safety</u>	
First Aid Equipment (Note A)	\$916.81
Fire Equipment (Note A)	\$5,512.32
Truck Insurance and Registration	\$1,100.00
Inspection, Service Parts Fuel	\$350.00
<u>Total FireDept</u>	<u>\$7,879.13</u>
<u>General</u>	
Legal Fees	\$500.00
Insurance(D&O,Comercial,Liability)	\$5,402.25
Licenses,Permits,Govt Fees,Ect	<u>\$90.00</u>
<u>Total General</u>	<u>\$5,992.25</u>
<u>Grounds Maintenance and Upkeep</u>	
Septic Service	\$1,034.73
Equipment Upkeep	<u>\$200.00</u>
<u>Total Grounds Maint and Upkeep</u>	<u>\$1,234.73</u>
<u>Community Initiatives</u>	
Community Initiatives (Fire Trailer Upgrade)	\$2,555.81
Prepurchase Logo Clothing	<u>\$0.00</u>
<u>Total Community Initiatives</u>	<u>\$2,555.81</u>
<u>Office Expenses</u>	
Bank Service Changes	\$175.00
Website Upkeep	\$0.00
Computer SW/Accounting Services	\$0.00
Supplies: Cheques, paper, ink, etc	\$100.00
Accountant Review	\$1,500.00
<u>Total Office Expenses</u>	<u>\$1,775.00</u>
<u>Total Budgeted Expenses</u>	<u>\$14,828.19</u>
Surplus (Carried over to 2021)	\$2,846.81

Note A: In May 2020 the board informed membership of plans to purchase additional first aid & fire fighting equipment. A 14 day member consultation period allowed feedback from membership before the decision was made, in line with the boards "Unbudgeted Material Expense" Policy

EXHIBIT O

Koocanusa Village Communiy Association 2020 Budget to Year End Dec 31,2020

Cash Balance Brought Forward \$18,966.68

<u>Income</u>	2020 Budget	2020 Jan to Sept	2020 Oct-Dec	2019 Actuals
Member Fees	\$15,000.00	\$14,984.00	\$0.00	
Grants	\$2,400.00	\$2,400.00	\$0.00	
Interest Income	<u>\$275.00</u>	<u>\$239.52</u>	<u>\$35.48</u>	
Total Income	<u>\$17,675.00</u>	<u>\$17,623.52</u>	<u>\$35.48</u>	
<u>Expenses</u>				
Events				
Events - Donation Golf Tournament	\$200.00	\$200.00	\$0.00	
Events Fireworks	<u>\$1,620.40</u>	<u>\$1,620.40</u>	<u>\$0.00</u>	
Events Total	<u>\$1,820.40</u>	<u>\$1,820.40</u>	<u>\$0.00</u>	\$3,159.95
Fire and Safety				
FA Equipment (Note A)	\$916.81	\$916.81	\$0.00	
Equipment (Note A)	\$5,512.32	\$5,512.32	\$0.00	
Truck Insurance and Registration	\$1,100.00	\$0.00	\$1,100.00	
Inspection, Service Parts Fuel	\$350.00	\$0.00	\$350.00	
Total FireDept	<u>\$7,879.13</u>	<u>\$6,429.13</u>	<u>\$1,450.00</u>	\$1,431.60
General				
Legal Fees	\$500.00	\$327.60	\$172.40	
Insurance(D&O,Comercial,Liability)	\$5,402.25	\$4,051.71	\$1,350.54	
Licenses,Permits,Govt Fees,Ect	<u>\$90.00</u>	<u>\$0.00</u>	<u>\$90.00</u>	
Total General	<u>\$5,992.25</u>	<u>\$4,379.31</u>	<u>\$1,612.94</u>	\$4,992.18
Grounds Maintenance and Upkeep				
Septic Service	\$1,034.73	\$1,034.73	\$0.00	
Equipment Upkeep	<u>\$200.00</u>	<u>\$0.00</u>	<u>\$200.00</u>	
Total Grounds Maint and Upkeep	<u>\$1,234.73</u>	<u>\$1,034.73</u>	<u>\$200.00</u>	\$315.00
Community Initiatives				
Community Initiatives (Fire Trailer Upgrades)	\$2,555.81	\$0.00	\$2,555.81	
Prepurchase Logo Clothing	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	
Total Community Initiatives	<u>\$2,555.81</u>	<u>\$0.00</u>	<u>\$2,555.81</u>	\$1,370.98
Office Expenses				
Bank Service Changes	\$175.00	\$156.25	\$18.75	
Website Upkeep	\$0.00	\$0.00	\$0.00	
Computer SW/Accounting Services	\$0.00	\$0.00	\$0.00	
Supplies: Cheques, paper, ink, etc	\$100.00	\$11.36	\$0.00	
Accountant Review	<u>\$1,500.00</u>	<u>\$0.00</u>	<u>\$1,500.00</u>	
Total Office Expenses	<u>\$1,775.00</u>	<u>\$167.61</u>	<u>\$1,518.75</u>	\$247.54
Total Budgeted Expenses	<u>\$14,828.19</u>	<u>\$13,831.18</u>	<u>\$7,337.50</u>	<u>\$11,517.25</u>
Surplus (Carried over to 2021)	\$2,846.81			

Note A: In May 2020 the board informed membership of plans to purchase additional first aid & fire fighting equipment. A 14 day member consultation period allowed feedback from membership before the decision was made, in line with the boards"Unbudgeted Material Expense" Policy



TERMS OF INSTRUMENT – PART 2

ACCESS EASEMENT OVER LOT 22

BETWEEN:

KV PROPERTIES INC., (Inc. No. BC1169034), with an address at 1873, 1361 7th Avenue,
Fernie, BC V0B 1M0

(the “**Lot 22 Owner**”)

OF THE FIRST PART

AND:

KV PROPERTIES INC., (Inc. No. BC1169034), with an address at 1873, 1361 7th Avenue,
Fernie, BC V0B 1M0

(the “**Owner**”, and such term will apply to the owner or owners of the Lots (as defined
below) from time to time)

OF THE SECOND PART

WHEREAS:

- A. The Lot 22 Owner is the registered owner of the lands and premises legally described as:

All 21 1/21st undivided interests in Lot 22 as Lot 22 is shown on EPP109367

(collectively, “**Lot 22**”).

- B. The Owner is the registered owner of the lands and premises legally described as:

PID: NPA

Lots 1 - 21 and an undivided 1/21 share in Lot 22 District Lot 10348 Kootenay District
Plan EPP109367

(collectively, the “**Lots**”).

- C. Lot 22 is a “common lot road” for the purposes of the Land Title Act Regulations 334/79 and is required in order to provide legal access to the Lots.
- D. In this Agreement, Lot 22 will be referred to as the “**Servient Tenement**” and the Lots will be collectively referred to as the “**Dominant Tenements**”.
- E. The Lot 22 Owner has agreed to grant an easement for access over the Servient Tenement (the “**Easement Area**”) in favour of the Dominant Tenements.

NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the premises and the mutual grants and covenants herein contained and the sum of **TEN DOLLAR (\$10.00)** now paid by the Owner to the Lot 22 Owner (the receipt and sufficiency of which is hereby acknowledged by the Lot 22 Owner), the parties herein hereby agree as follows:

1. **Grant of Easement.** The Lot 22 Owner for itself, its successors and assigns hereby grants to the Owner and its successors and assigns, in perpetuity, the non-exclusive full, free and uninterrupted right, liberty and easement for the benefit of the Owner and its officers, employees, workmen, agents, tenants, customers, invitees and licensees and all other persons at any time and from time to time similarly entitled or having any similar right with respect to the Servient Tenement, their officers, employees, workmen, agents, tenants, invitees and licensees at all times hereafter by night and day and at their will and pleasure, to enter upon, go across, pass and repass whether by foot, bicycle, wheelchair, or such vehicle, motorized machinery or such other mode of conveyance as they may deem appropriate and with or without workmen, equipment and materials, within, upon, along and over the Easement Area and every part thereof, for the purpose of gaining access to and egress from the Servient Tenement. The benefit of this easement will be annexed to and run with the Dominant Tenements and the burden of this easement will run with and bind the Servient Tenement.
2. **Grantor's Reservation.** Notwithstanding the easement hereinbefore granted, there is hereby reserved to the Lot 22 Owner the right at all times hereafter and from time to time to temporarily interrupt the use and enjoyment of the easement over the Easement Area for the purpose of (a) constructing, maintaining, or replacing any improvements on the Servient Tenement and (b) constructing, maintaining, or replacing any utilities and communication systems on, under, or over the Easement Area PROVIDED ALWAYS that the foregoing are permitted by law, the bylaws of the local government authorities, and other charges registered against Lot 22.
3. **Maintenance.** The Owner (being the owner or owners of the Lots from time to time) agrees as follows:
 - (a) the Owner will be responsible for the maintenance of Lot 22 and will agree to the work required from time to time for the repair, maintenance, or replacement of Lot 22 and any improvements located on, under, or over Lot 22 to keep same in a good state of repair for their intended purposes (the "**Work**");
 - (b) the Owner will share the cost of the Work equally with each other Owner. Each Owner's contribution will be equal to that Owner's undivided interest in Lot 22, or as may otherwise be agreed to; and
 - (c) in the event of a disagreement with respect to the necessity, nature, extent, or cost of the Work, the apportionment of the cost of the Work, or any other matter arising out of this Agreement, the disagreement will be decided by binding arbitration under the Arbitration Act (BC) by a single arbitrator appointed pursuant to the Rules of the British Columbia International Commercial Arbitration Centre. The place of arbitration will be Fernie, BC.

4. **Run with the Land.** This Agreement will run with and be a burden upon the Servient Tenement but no part of the fee of the soil of such lands will pass to or be vested in the Owner under or by these presents and if the Servient Tenement is subdivided then the Easement herein granted will continue to run with and bind each subdivided parcel of which the Easement Area forms a part.
5. **No Restriction.** Save as aforesaid, nothing in this Agreement will be interpreted so as to restrict or prevent the Lot 22 Owner from using the Easement Area in any manner which does not unreasonably interfere with the exercise by the Owner of the rights and the Easement hereby granted.
6. **Exercise of Rights.** Each of the Lot 22 Owner and the Owner will be reasonable at all times in exercising its rights, forming its opinions and performing its duties hereunder.
7. **Interpretation.** The expressions "Lot 22 Owner" and "Owner" herein contained will be deemed to include the heirs, executors, administrators, successors, assigns, employees, servants, agents, officers and invitees of such parties wherever the context or the parties hereto so permit or require.
8. **Plural.** Wherever the singular or the masculine is used in this Agreement, the same will be construed as meaning the plural or feminine or body corporate or politic, and vice versa, as the context or the parties so require.
9. **Joint and Several.** If the Owner or the Lot 22 Owner are comprised of more than one person, all of the covenants, agreements, duties, obligations and liabilities of the Owner or the Lot 22 Owner under this Agreement are joint and several covenants, agreements, duties, obligations and liabilities of all persons comprising the Owner or the Lot 22 Owner.
10. **Invalidity.** If any section, subsection, sentence, clause or phrase in this Agreement is for any reason held to be invalid by the decision of a court of competent jurisdiction, the invalid portion will be served and the decision that it is invalid will not affect the validity of the remainder of this Agreement.
11. **Governing Law.** This Agreement will be governed and construed in accordance with the laws of the Province of British Columbia.
12. **Enurement.** This Agreement will enure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and assigns.

By their signatures in Item 8 to the Form C to which this Agreement is attached, the parties have executed this Agreement and agree to be bound by its terms.

CONSENT AND PRIORITY AGREEMENT

WHEREAS KOOCANUSA VILLAGE COMMUNITY ASSOCIATION (Inc. No.S0060030) (herein called the "**Chargeholder**") is the holder of a Rent Charge registered in the Nelson Land Title Office on July 11, 2012 under instrument number CA2651891 (herein called the "**Charge**"), encumbering the lands described in the attached Easement (the "**Easement**").

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Easement and the Chargeholder hereby agrees that the Easement will be binding upon its interest in and to the lands described in the Easement; and
2. grants to the Transferee priority for the Charge over the Chargeholder's right, title and interest in and to the lands described in the Easement, and the Chargeholder does hereby postpone the Charge and all of its right, title and interest thereunder to the Easement as if the Easement had been executed, delivered and registered prior to the execution, delivery and registration of the Charge.

IN WITNESS WHEREOF the Chargeholder has duly executed this Consent and Priority Agreement by signing on the Form C above on the date set out therein.

CONSENT AND PRIORITY AGREEMENT

WHEREAS 1213904 B.C. LTD. (Inc. No. BC1213904) (herein called the "**Chargeholder**") is the holder of a Mortgage and Assignment of Rents registered in the Nelson Land Title Office under instrument numbers CA7663643 and CA7663644 respectively (herein collectively called the "**Charge**"), encumbering the lands described in the attached Easement (the "**Easement**").

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Easement and the Chargeholder hereby agrees that the Easement will be binding upon its interest in and to the lands described in the Easement; and
2. grants to the Transferee priority for the Charge over the Chargeholder's right, title and interest in and to the lands described in the Easement, and the Chargeholder does hereby postpone the Charge and all of its right, title and interest thereunder to the Easement as if the Easement had been executed, delivered and registered prior to the execution, delivery and registration of the Charge.

IN WITNESS WHEREOF the Chargeholder has duly executed this Consent and Priority Agreement by signing on the Form C above on the date set out therein.



Jul-20-2020 09:00:13.006

CA8309525 CA8309528

LAND TITLE ACT

FORM C (Section 233) CHARGE

GENERAL INSTRUMENT - PART 1 Province of British Columbia

EXHIBIT Q

PAGE 1 OF 48 PAGES

Your electronic signature is a representation that you are a designate authorized to certify this document under section 168.4 of the *Land Title Act*, RSBC 1996 c.250, that you certify this document under section 168.41(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

Thomas Smythe
McLachlan
QMAYRF

Digitally signed by Thomas
Smythe McLachlan
QMAYRF
Date: 2020.07.16 13:26:27
-07'00'

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

Sunny L. Wright - REED POPE LAW CORPORATION

202 - 1007 Fort Street

Telephone 250-383-3838

File No. 7335-007

Geotech covenant

Victoria

BC V8V 3K5

Document Fees: \$299.48

Deduct LTSA Fees? Yes ☒

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:

[PID]

[LEGAL DESCRIPTION]

SEE SCHEDULESTC? YES ☐

3. NATURE OF INTEREST

CHARGE NO.

ADDITIONAL INFORMATION

SEE SCHEDULE

4. TERMS: Part 2 of this instrument consists of (select one only)

(a) ☐ Filed Standard Charge Terms D.F. No.(b) ☒ Express Charge Terms Annexed as Part 2

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument.

5. TRANSFEROR(S):

SEE SCHEDULE

6. TRANSFEREE(S): (including postal address(es) and postal code(s))

SEE SCHEDULE

7. ADDITIONAL OR MODIFIED TERMS:

N/A

8. EXECUTION(S): This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)

Execution Date

Transferor(s) Signature(s)

GORDON LEFFLER

Lawyer

1361-7th Ave

PO Box 1873

Fernie, BC V0B 1M0

Y	M	D
20	07	03

KV PROPERTIES INC. (Inc. No.
BC1169034), by its authorized
signatory:

Name: RETO BARRINGTON

Name: ARTHUR SOMBROWSKI

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

**LAND TITLE ACT
FORM D**

EXECUTIONS CONTINUED

EXHIBIT Q

PAGE 2 of 48 PAGES

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

Y	M	D
20	07	10

BOB H. GRAHAM
Barrister & Solicitor
2400, 525 8th Ave SW
Calgary, AB T2P 1G1

(AS TO PRIORITY)
KOOCANUSA VILLAGE COMMUNITY
ASSOCIATION (Inc. No. S0060030), by
its authorized signatory:

Name: REG PATTERSON

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

**LAND TITLE ACT
FORM D**

EXECUTIONS CONTINUED

EXHIBIT Q

PAGE 3 of 48 PAGES

Officer Signature(s)

Execution Date

Transferor / Borrower / Party Signature(s)

RYAN HAGER

Barrister & Solicitor

HD Law Group

Suite 210, 6111-36 Street SE

Calgary, AB T2C 3W2

Y M D

20 07 09

(AS TO PRIORITY)

977230 ALBERTA LTD. (Inc. no. A0084329), by its authorized signatory (ies):

Name: DIANE WESTBURY

GORDON LEFFLER

Lawyer

1361-7th Avenue

PO Box 1873

Fernie, BC V0B 1M0

20 07 03

(AS TO PRIORITY)

1213904 B.C. LTD. (Inc. No. BC1213904), by its authorized signatory(ies):

Name: RETO BARRINGTON

Name: ARTHUR SOMBROWSKI

20 07 09

This is an instrument required by the Approving Officer for Subdivision Plan EPP101154 creating the condition or covenant entered into under s. 219 of the Land Title Act. Her Majesty the Queen in Right of the Province of B.C. represented by Minister of Transportation and Infrastructure

Name: CLIFF RAZZO
APPROVING OFFICER

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

LAND TITLE ACT
FORM E

EXHIBIT Q

SCHEDULE

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND

Related Plan Number: **EPP101154**

STC for each PID listed below? YES ☐

[PID] [LEGAL DESCRIPTION – must fit in a single text line]

NO PID NMBR LOT B DISTRICT LOT 10348 KOOTENAY DISTRICT PLAN EPP101154

NO PID NMBR LOT D DISTRICT LOT 10348 KOOTENAY DISTRICT PLAN EPP101154

**LAND TITLE ACT
FORM E**

SCHEDULE

EXHIBIT Q

PAGE 5 OF 48 PAGES

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Covenant		Entire document except pages 12, 13 and 14

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Priority Agreement		granting the Covenant with one registration number less than this priority agreement priority over Rent Charge CA2651891 Page 12

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Priority Agreement		granting the Covenant with two registration numbers less than this priority agreement priority over Mortgage CA7021396, Assignment of Rents CA7021397, Modification CA7663641 and Modification CA7663642 Page 13

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
Priority Agreement		granting the Covenant with three registration numbers less than this priority agreement priority over Mortgage CA7663643 and Assignment of Rents CA7663644 Page 14

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
--------------------	------------	------------------------

NATURE OF INTEREST	CHARGE NO.	ADDITIONAL INFORMATION
--------------------	------------	------------------------

**LAND TITLE ACT
FORM E****SCHEDULE****EXHIBIT Q**PAGE 6 OF 48 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

5. TRANSFERORS

KV PROPERTIES INC. (Inc. No. BC1169034), as to Covenant

KOOCANUSA VILLAGE COMMUNITY ASSOCIATION (Inc. No. S0060030), as to Priority

977230 ALBERTA LTD. (Inc. No. A0084329), as to Priority

1213904 B.C. LTD. (Inc. No. BC1213904), as to Priority

6. TRANSFEREES

REGIONAL DISTRICT OF EAST KOOTENAY, 19-24th Avenue South, Cranbrook, BC, V1C 3H8

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented
by THE MINISTER OF TRANSPORTATION AND INFRASTRUCTURE
Parliament Buildings, Victoria, BC, V8V 1X5

TERMS OF INSTRUMENT - PART 2

**GEOTECHNICAL COVENANT
(SECTION 219 LAND TITLE ACT)****BETWEEN:**

KV PROPERTIES INC.
(Inc. No. BC1169034)
1873, 1361 7th Avenue
Ferne, BC V0B 1M0

(the "**Grantor**")

AND:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented
by **THE MINISTER OF TRANSPORTATION AND INFRASTRUCTURE**
Parliament Buildings
Victoria, BC V8V 1X5

(the "**Province**")

AND:

REGIONAL DISTRICT OF EAST KOOTENAY
19 - 24th Avenue South
Cranbrook, BC V1C 3H8

(the "**Regional District**" and together with the "**Province**", the "**Grantee**")

WHEREAS:

- A. The Grantor is the fee simple owner of the hereinbefore described lands and premises as described in paragraph 2 of the Form "C" (hereinafter called the "**Lands**").
- B. The consent of the Provincial Approving Officer is required with respect to the Grantor's proposed subdivision of the Lands and, as a condition of such consent, the Provincial Approving Officer requires a Covenant to be charged against the Lands in priority to any financial charges pursuant to Section 219 of the Land Title Act, Chapter 250, R.S.B.C. 1996, which Covenant is for the purpose of limiting Development within areas identified as safe for residential development.
- C. The Grantor has submitted an Initial Geotechnical Assessment Report prepared by McElhanney Consulting Services Ltd. and dated October 23, 2018 (the "**Geotechnical Report**"), a copy of which is attached to this Covenant as **Schedule A**.

NOW THEREFORE THIS COVENANT WITNESSETH that pursuant to Section 219 of the *Land Title Act* and in consideration of the sum of One Dollar (\$1.00) now paid by the Grantee to the Grantor (the receipt and sufficiency of which is acknowledged), the parties hereby covenant and agree with each other as follows:

1. **Definitions.** The following terms will have the following meanings:

- (a) **"Class A Lands"** means the Lands except Covenant Areas 1-6 set out in the Covenant Area Plan.
- (b) **"Class B Lands"** means "Covenant Areas 1 - 5" as set out in the Covenant Area Plan.
- (c) **"Class C Lands"** means "Covenant Area 6" as set out in the Covenant Area Plan.
- (d) **"Development"** means without limitation:
 - (i) removal, alteration, or destruction of vegetation;
 - (ii) disturbance of soils;
 - (iii) construction, placement, or erection of buildings, structures, or improvements;
 - (iv) creation of non-structural surfaces;
 - (v) flood protection works;
 - (vi) construction of roads, trails, docks, wharves, and bridges;
 - (vii) provision and maintenance of sewer and water services;
 - (viii) development of drainage systems; and
 - (ix) development of utility corridors;
- (e) **"Geotechnical Report"** means the Initial Geotechnical Assessment Report prepared by McElhanney Consulting Services Ltd. dated October 23, 2018 and attached to this Covenant as **Schedule A**.
- (f) **"Habitable Building"** means any building or structure containing a room or space intended for human occupancy.
- (g) **"Covenant Area Plan"** means plan EPP101155 prepared by McElhanney Associates Land Surveying Ltd. dated April 28, 2020, a reduced copy of which is attached to this Covenant as **Schedule B**.
- (h) **"Site Specific Report"** means a geotechnical report prepared by a qualified BC geotechnical engineer.

2. **No Build.** No Development of any kind is permitted on the Lands unless performed in accordance with this Covenant, and specifically in accordance with the following:

- (a) With respect to Class A Lands, Development is permitted.
- (b) With respect to Class B Lands, the Grantor will not perform any Development and will not apply for a building permit for any Habitable Buildings on the Lands and the Grantee will not be required to issue a building permit for any Habitable Building on the Lands

unless the Regional District of East Kootenay first receives and approves a Site Specific Report relevant to the proposed building site which identifies the building site as being safe for residential Development, or identifies the building site as being safe for residential Development if performed in accordance with the recommendations of the Site Specific Report; and

- (c) With respect to Class C Lands, no Development is permitted of any kind.
3. **Recommendations.** The Site Specific Report must include, as applicable, recommendations pertaining to, without limitation: slope stability, retaining walls, set-backs, and building construction. All construction and/or improvements must incorporate and adhere to the recommendations of the Site Specific Report.
 4. **Priority.** The Grantor will register this Covenant as a charge on the Lands in priority to all financial charges, and proof of its registration must be provided to the Grantee.
 5. **Release.** The Grantor does remise, release and forever discharge the Grantee and its officers, employees, servants or agents, together with the Grantee (the “**Released Parties**”) from all loss, damage, costs, actions, suits, debts, accounts, claims and demands which the Grantor or his heirs, executors, administrators, successors and assigns may have against the Released Parties from and by reason of any damage suffered personally or in connection with any building, improvement, chattel or other structure, including the contents of any of them, built, constructed or placed on the Lands.
 6. **Indemnity.** The Grantor, on behalf of himself and his heirs, executors, administrators, successors and assigns, hereby indemnifies and saves harmless the Grantee and its officers, employees, servants and agents (together with the Grantee, the “**Indemnified Parties**”) from all loss, damage, costs, actions, suits, debts, accounts, claims and demands which any of the Indemnified Parties may suffer or incur or be put to arising out of or in connection with any breach or non-performance by the Grantor of the Grantor’s obligations contained in this Covenant.
 7. **Run with Land.** The Grantor’s covenants contained in this Covenant will, in accordance with Section 219 of the *Land Title Act*, burden and run with the Lands provided that none of the covenants contained herein will be personal or binding upon the Grantor save and except during the Grantor’s ownership of or interest in the Lands and with respect only to that portion of the Lands which the Grantor owns or has an interest in, but the Lands, nevertheless be and remain at times charged therewith.
 8. **Liability.** In accordance with Section 219 of the *Land Title Act*, no person who enters into a covenant under this section is liable for a breach of the covenant occurring after the person has ceased to be the owner of the Lands, the parties further acknowledging that this provision does not absolve persons from liability for breaches of the covenant which occur while they were the owners of the Lands.
 9. **No Waiver.** No term, condition, covenant or other provision of this Covenant will be considered to have been waived by the Grantee unless the waiver is expressed in writing by the Grantee. Any waiver by the Grantee of any term, condition, covenant or other provision of this Covenant or any waiver by the Grantee of any breach, violation or non-performance of any term,

condition, covenant or other provision of this Covenant does not constitute and will not be construed as a waiver of any further or other term, condition, covenant or other provision of this Covenant or any further or other breach, violation or non-performance of any term, condition, covenant or other provision of this Covenant.

10. **No Restriction.** Nothing in this Covenant will prejudice or affect the rights, powers and remedies of the Grantee in relation to the Grantor or the Lands under any law, bylaw, order or regulation or in equity all of which rights, powers and remedies may be fully and effectively exercised by the Grantee as if this Covenant had not been entered into.
11. **Notice.** In this Agreement:
 - (a) any notice or communication required or permitted to be given under this Covenant will be in writing and will be considered to have been given if delivered by hand or mailed by prepaid registered post in Canada, to the address of the party set out in the title records of the Land Title Office;
 - (b) notice or communication will be considered to have been received:
 - (i) if delivered by hand during business hours on a business day, upon receipt by a responsible representative of the receiver, and if not delivered during business hours, upon the commencement of business on the next business day; and
 - (ii) if mailed by prepaid registered post in Canada, upon the fifth business day following posting; except that, in the case of a disruption or an impending or threatened disruption in postal services every notice or communication will be delivered by hand or sent by facsimile transmission;
 - (c) for the purposes of this paragraph "business day" means a day which is not a Saturday nor defined as a "holiday" under the *Interpretation Act* of British Columbia, as amended or replaced from time to time.
12. **Interpretation.** Whenever the singular or masculine or neuter is used herein, the same will be construed as including the plural, feminine, body corporate or politic unless the context requires otherwise.
13. **Governing Law.** This Covenant will be interpreted according to the laws of the Province of British Columbia. If any section or any part of this Covenant is found to be illegal or unenforceable, then such sections or parts will be considered to be separate and severable from this Covenant and the remaining sections or parts of this Covenant, as the case may be, will be unaffected thereby and will remain and be enforceable to the fullest extent permitted by law as though the illegal or unenforceable parts or sections had never been included in this Covenant.
14. **Legislation.** Where there is a reference to an enactment of the Province of British Columbia in this Covenant, that reference will include a reference to any subsequent enactment of the Province of British Columbia of like effect, and unless the context otherwise requires, all statutes referred to herein are enactments of the Province of British Columbia.

15. **Further Assurances.** The Grantor will do or cause to be done all things and execute or cause to be executed all documents and give such further and other assurance which may be reasonably necessary to give proper effect to the intent of this Covenant.
16. **No Duty to Enforce.** The parties agree that the Grantee is not responsible to inspect the Lands or to otherwise ensure compliance with this Covenant, nor is the Grantee required to remedy a default of this Covenant, and a failure to enforce this Covenant by the Grantee will not constitute a waiver of its rights hereunder.
17. **Counterpart.**
 - (a) This Covenant may be signed by original or facsimile and executed and delivered in any number of counterparts, each of which will constitute an original and all of them taken together will constitute one Covenant.
 - (b) Delivery of a counterpart to a party will be effective if made to that party or to its counsel.

IN WITNESS WHEREOF the parties hereto acknowledge that this Covenant has been duly executed and delivered by the parties executing Form C and D (pages 1, 2 and 3) attached hereto.

CONSENT AND PRIORITY AGREEMENT

WHEREAS KOOCANUSA VILLAGE COMMUNITY ASSOCIATION (Inc. No.S0060030) (herein called the "**Chargeholder**") is the holder of a Rent Charge registered in the Nelson Land Title Office on July 11, 2012 under instrument number CA2651891 (herein called the "**Charge**"), encumbering the lands described in the attached Covenant (the "**Covenant** ").

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Covenant and the Chargeholder hereby agrees that the Covenant will be binding upon its interest in and to the lands described in the Covenant; and
2. grants to the Transferee priority for the Charge over the Chargeholder's right, title and interest in and to the lands described in the Covenant, and the Chargeholder does hereby postpone the Charge and all of its right, title and interest thereunder to the Covenant as if the Covenant had been executed, delivered and registered prior to the execution, delivery and registration of the Charge.

IN WITNESS WHEREOF the Chargeholder has duly executed this Consent and Priority Agreement by signing on the Form C above on the date set out therein.

CONSENT AND PRIORITY AGREEMENT

WHEREAS 977230 ALBERTA LTD. (Inc. No. A0084329) (herein called the "**Chargeholder**") is the holder of a Mortgage, Assignment of Rents and Modifications registered in the Nelson Land Title Office under instrument numbers CA7021396, CA7021397, CA7663641 and CA7663642 respectively (herein collectively called the "**Charge**"), encumbering the lands described in the attached Covenant (the "**Covenant**").

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Covenant and the Chargeholder hereby agrees that the Covenant will be binding upon its interest in and to the lands described in the Covenant; and
2. grants to the Transferee priority for the Charge over the Chargeholder's right, title and interest in and to the lands described in the Covenant, and the Chargeholder does hereby postpone the Charge and all of its right, title and interest thereunder to the Covenant as if the Covenant had been executed, delivered and registered prior to the execution, delivery and registration of the Charge.

IN WITNESS WHEREOF the Chargeholder has duly executed this Consent and Priority Agreement by signing on the Form C above on the date set out therein.

CONSENT AND PRIORITY AGREEMENT

WHEREAS 1213904 B.C. LTD. (Inc. No. BC1213904) (herein called the "**Chargeholder**") is the holder of a Mortgage and Assignment of Rents registered in the Nelson Land Title Office under instrument numbers CA7663643 and CA7663644 respectively (herein collectively called the "**Charge**"), encumbering the lands described in the attached Covenant (the "**Covenant** ").

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Covenant and the Chargeholder hereby agrees that the Covenant will be binding upon its interest in and to the lands described in the Covenant; and
2. grants to the Transferee priority for the Charge over the Chargeholder's right, title and interest in and to the lands described in the Covenant, and the Chargeholder does hereby postpone the Charge and all of its right, title and interest thereunder to the Covenant as if the Covenant had been executed, delivered and registered prior to the execution, delivery and registration of the Charge.

IN WITNESS WHEREOF the Chargeholder has duly executed this Consent and Priority Agreement by signing on the Form C above on the date set out therein.

October 23, 2018

KV Properties Inc.
1361 7th Avenue
Fernie BC V0B 1M0

Attn: Mr. Reto Barrington

Dear Sir:

Re: **Initial Geotechnical Assessment Report**
Proposed Subdivision at Koocanusa Village
Part of Lot 2, Plan EPP14443, DL 10348, KD

1.0 INTRODUCTION:

McElhanney Consulting Services Ltd. (McElhanney) understands that the owners of the above noted property wish to subdivide a portion of the lands as noted above and identified on the attached site plan. In September of 2018, McElhanney was contacted by Mr. Reto Barrington and retained by KV Properties Inc. to review and assess the terrain in order to provide geotechnical recommendations for the proposed subdivision. These recommendations follow the BC Ministry of Transportation and Infrastructure (MoTI) Preliminary Layout Not Approved (PLNA) letter as issued August 8, 2017, the meeting on September 22, 2017 between MoTI staff, Reto Barrington, and McElhanney staff, and more specifically the subsequent email from Leslie Stephens, Provincial Approving Officer with MoTI dated September 22, 2017. That letter provided specific items of focus for the terms of this report. Those are as follows:

- a) Slope stability as it relates to proposed Lot B – impacts from adjoining uphill lands, drainage and re-grading, disturbance of the natural slopes.
- b) Potential erosion of lands adjacent to the reservoir, which includes the marina within Remainder Lot 1, Plan NEP65910.
- c) Potential settlement and instability as it relates to all the lands due to re-grading of the natural ground elevation, removal and replacement of materials that maybe subject to settlement and instability.
- d) Identifying the need for restrictions on the land as it relates to these matters, and/or are there limitations on construction of foundations/structures, or a need for recommendations on construction practices on these lands. (Potential covenant language).

In conducting the geotechnical assessment for the project, McElhanney has:

- Completed site reviews of September 4th, September 5th, and September 11th to review site, slope, terrain and confirm subsurface soil conditions;
- Completed a topographic survey and topographic/orthographic drone surveys in March and September 2018;
- Completed a background review of related soil reports, geological mapping and aerial photographs and other information for the area (including soil mapping);



- Prepared this letter providing a summary of the site topography, terrain, slope and geotechnical recommendations specifically for the purposes of future residential development on the proposed lots.

2.0 REVIEWED INFORMATION AND DOCUMENTATION:

The following materials have been referred to and referenced during the course of the work completed:

1. Legal Survey Plan (2009) – Plan EPP14443, DL 10348, KD;
2. McElhanney (2017-2018) – Topographic and orthophoto information and Preliminary Plans for the proposed subdivision and future developments;
3. L.E.H. Lacelle (1990) – *Report No.20 of the British Columbia Soil Survey, Soil Survey of the East Kootenay Area in the East Kootenay District of British Columbia*. Victoria, BC: British Columbia Ministry of Environment.
4. J.M. Ryder (1983) – *Surficial Geology of the grassland areas of British Columbia and adjacent regions*. Victoria B.C.: Ministry of Forests.
5. A.V. Okulitch and G.J. Woodsworth (1977) – *Geologic Mapping, Kootenay River*. Canada.: Geological Survey of Canada.
6. EBA Engineering Consultants Ltd. (2008) – *Preliminary Geohazard and Geotechnical Assessment for Lake Koocanusa Resort*;
7. EBA Engineering Consultants Ltd. (2012) – *Sweetwater Middle Terrace Development Letter to MOTI*;
8. McElhanney (2016-2018) – Geotechnical Reports and Design related to the fills and reconstruction of the Mid-terrace area;
9. McElhanney (2017) – *Plan of Proposed Subdivision of Part of Lot 2 District Lot 10348 Kootenay District Plan EPP14443, Part of Lot 1 District Lot 10348 Kootenay District Plan NEP65910 (Section 80) and Unsurveyed Crown Land (Section 80)*;
10. BC Government (1994) – Air Photo 30BCC94029 No. 066;
11. BC Government (2000) – Air Photo 30BCC00091 No. 041;
12. BC Government (2005) – Air Photo 30BCC05137 No. 087;
13. BC Government (2009) – Air Photo 30BCC09030 No. 083;
14. BC Government, Integrated Land Management Bureau (2007) – *Terrain Resource Information Mapping 1:20,000 Scale, Sheet 082G014*;
15. Google Earth – Aerial Photography (2004, 2010, 2015).

3.0 SITE DESCRIPTION AND BACKGROUND:

The overall Koocanusa Village (previously Sweetwater) development area is located on the west shore of Lake Koocanusa, and contains mild to moderately sloping topography on the hillslopes, which slope down from west to east towards the historical Kootenay River floodplain below (now Lake Koocanusa). The existing level lower terrace development area is situated directly below in the historical floodplain and contains

SCHEDULE A
EXHIBIT Q



2441-00788-00

INITIAL GEOTECHNICAL ASSESSMENT REPORT KOOCANUSA VILLAGE, PART OF LOT 2, EPP14443, DL 10348, KD

existing residences and a marina. On the mid-terrace area, previous development works, including the access road into the site, namely Marcer Road, was constructed approximately 6 years ago. The development is located in District Lot 10348.

The Study area of this report is contained within the southwest corner of the previously named Sweetwater development, and specifically has a legal description of Part of Lot 2, Plan EPP14443, DL 10348, Kootenay District (the Site). See Figure 3-1 below, and the attached Plan of Proposed Subdivision dated March 20, 2017 for more detail.

Figure 3-1: Site Location:



(Ref. RDEK Web Map)



EBA Consultants completed geotechnical reporting and studies in 2008 (Geohazard and Geotechnical Assessment) and 2012 (Middle Terrace Letter and Assessment). The 2008 study identified slope hazards and thusly defined Classed land into Class A: Suitable for Development, Class B: Suitable for Development with Restrictions/Remedial Works, and Class C: Not Presently Suitable for Development. This report provided defined hazard ratings and clearly showed the Site as land suitable for development.

Further from EBA, the sloped lands situated immediately above the entrance road (Marcer Road, previously McMorran Drive) are classed as Class A up to the old entrance road location, and the upper slope above is Class B. These lands fall within Lot 2, Plan EPP45335, and are situated upslope and outside of the proposed subdivision lands. Sloped lands (shoreline) adjacent the lake and the marina are categorized as Class B back from the top of slope with a setback distance of approximately 10m with an additional 5m at the top of slope categorized as Class C. More specifically, this setback was derived from a 18° slope angle back from the high-water mark, which EBA estimated to be approximately a 15m total setback. (Refer to Figure #4 in their 2008 report.) These lands fall within Remainder Lot 1 Plan NEP65910 for the Marina slopes, and Lot 3 Plan 8226 for the lake slopes, and border on, but are situated outside of, the proposed subdivision lands.

The previous works completed on this specific site include roadwork construction of the entrance road (Marcer Road), marina development, aggregate extraction on proposed Lot D, sand extraction and fill on proposed Lot B.

4.0 SITE TOPOGRAPHY AND GEOLOGY:

The proposed lots are primarily sited on a fluvioglacial terrace, with a pocket of glaciolacustrine silt in place within, on very gently sloping land situated above the lake below. The shoulder (toe) slope, of which Marcer Road and proposed Lot B are situated on, contains gravels and/or sands overlying dense glacial till and bedrock at depths. The upper slopes above the road are known to consist primarily of the dense glacial till soils.

5.0 LOCAL SOIL AND GROUNDWATER CONDITIONS:

Based on our excavated test pits, the observed slopes and nearby cut banks, previous work in the area by McElhanney and EBA (and others), and available soils mapping, it is anticipated that the soils are generally to be glaciofluvial gravels and sands overlying dense glacial till. In an isolated area on the lower level terrace, including proposed Lot A, there exists a glaciolacustrine silt deposit as well. The glaciofluvial sand and gravel deposits are well known and prevalent throughout the site, particularly on the lower reaches of the slopes and lower floodplain terrace. On the upper valley slopes, the dense glacial till is near or at the surface.

Nine test pits were excavated with a 135C John Deere Excavator to varying depths in this area. See attached test hole logs for details. No signs of groundwater were encountered during our investigation. The excavated test pits generally confirm the subsurface conditions identified above.

An additional 20 test pits were excavated northeast of this area as part of a separate study for future development and will be identified in a separate report.

6.0 TERRAIN AND SLOPE REVIEW:

As previously mentioned above, a preliminary Geohazard study (Ref. #6) was completed on this and the surrounding land in 2008 by EBA Engineering (EBA). EBA completed numerous test pits, studied aerial photography and traversed the site in detail. Subsequently, McElhanney conducted a slope analysis and report (noted above) for the Mid-Terrace fill zone remediation works. The assessment below is a continuation of that initial work. McElhanney has now reviewed the site slope stability of the proposed Lot B, and provide such recommendations in this report.

During the site work completed, field reconnaissance of the surrounding land and Proposed Lot B was completed by the undersigned. The field reconnaissance included:

- Traverse of the site and adjacent slopes;
- Excavated test pits to review near surface soil conditions;
- Review of nearby road cuts and vegetation;
- Traverse of the sand pit area located on the Site.

McElhanney also surveyed the entire Site and nearby slope topography.

Observations and opinion from the field reconnaissance are detailed in the following subsections. Photographs were also taken during the field reviews.

6.1 Upper Topography directly above Marcer Road (above Proposed Lot B)

The upper sloped area above the road consistently contains approximately 3:1 slope angles (31-36%, or 17-20°) from northwest down to southeast. Historical erosional gullied features are present. The slopes are vegetated and treed. No signs of instability (cracking, slumps, erosion, piping or settled areas) were present. Some cut and surficial fills occurred directly adjacent the road likely when the road was constructed, approximately 6-8 years ago. Minor surficial erosion has occurred over time in these areas. Grasses are established on the majority of the previously disturbed slope surface. This slope was observed in cuts and in the test pit to consist of dense to very dense glacial till, and is considered very stable in it's present state, as also observed by EBA.



The ditchline was well established at the toe of slope adjacent the road, and there were no significant signs of runoff deposit. It appears that the ditch is well maintained and drains effectively downslope to the northeast.

Some recent surficial regrading works have occurred on the east end above the road recently. Such works are considered minor and do not affect the stability of the Proposed Lot B. It is recommended however that final grading and compaction of any loose surficial material occur, and appropriate seeding be undertaken in the future.

6.2 Proposed Lot B – Existing Slopes

There were two distinct slopes within the proposed Lot B:

1. "Slope 1": is the cut or native slope in this area and contained within inside of the Marcer Road bend and below the road -- a southwest to northeast trajectory. This slope has a gentle profile and is less steep with an overall angle of approx. 18% (10°) and contains some vegetation. A small amount of road embankment fill was also observed adjacent the road. The subsurface materials on the slopes were observed to consist of dense glaciofluvial sands and gravels. No signs of instability were observed. These sections of slope are considered to be very stable and are suitable for development in their observed state; and,
2. "Slope 2": forms part of Slope 1, but includes the "Sand Pit" area where previous excavation and fill activities have occurred. This slope is relatively steep within the excavated Pit area (approximately 1.5:1, or 66%, or 33°), and evidence of minor slumped overburden down the cut face is apparent. The native soils in this area are a clean medium to coarse sand. Nearby adjacent to the southwest, there is a fill area that contains boulders and other waste fill materials. It is the opinion of the undersigned that this area contains the potential for surficial instabilities. As such, the Slope 2 areas (Sand Pit and Fill Zone – see site plan) are not considered suitable for development in their current state. Further stabilization and regrading, as well as fill removal works, under the guidance of a qualified geotechnical engineer should occur prior to consideration of this area for development.

See the attached site plan with cross-section locations, and the attached two alignment profile drawings for typical slope profiles through the site.

6.3 Anticipated Soil Parameters

Based on the soil observation and knowledge of the glaciofluvial and glacial till soils of the west shore of KooCANUSA Lake, it is anticipated that the site soils likely range in consistency and gradation with depth. From that knowledge and observations, as

well as the grain size distribution results, summarized in Table 6.1 (see attached), it is anticipated the till profile is expected to contain sand and gravel with some silt and that the glaciofluvial sands and gravels vary, but are considered to be primarily comprised of sand and/or gravels with little fines present.

Based on the above, McElhanney has collected, interpolated and aligned the previous and current grain size parameters from previous and current test results with the site soils observed, and an anticipated range is provided in Table 6-1. For the purposes of analyzing the slopes, McElhanney has conservatively evaluated and anticipated Mohr-Coulomb soil strength parameters (Internal angle of friction, cohesion, and unit weight):

Table 6.1: Anticipated Soil Parameters

Soil Type	Angle of Repose (°)	Grain Size (%)				Internal Angle of Friction (°)	Cohesion (kPa)	Unit Weight (kN/m ³)
		Clay	Silt	Sand	Gravel			
Glaciofluvial	0 - 35	0-2	1-3	40-95	5-65	32-38	0	18-19
Glacial Till	17 - 20	5-10	10-20	30-50	40-60	37-44	2-8	19-20

- *Additional Ref: Kanji, 1998; Calladine, 1985; Drucker, Prager, 1952; Hough, 1957; Roscoe, Burland, 1968; Carter, Bentley, 1991.*

6.4 Slope Analysis

A slope analysis was completed utilizing RocScience Slide software, using conservative values from the above estimated parameters. Bishop Simplified and Janbu Corrected methods of rotational slope failure analysis were conducted. Based on such, it is estimated that the existing Slope 1 has a calculated Factor of Safety (FOS) = 1.5-1.8 for the northeast half of Proposed Lot B. The existing Slope 2 has a calculated estimated FOS that varies from FOS = 1.0 in the Sand Pit area and increases to a FOS = 1.5 as the slope profile lessens in angle away from this feature. The expected failure method in the model was a shallow rotational failure, as already evidenced with the shallow isolated slumped material situated within the pit area on the excavated slope.

In order to achieve a FOS = 1.5 above the Sand Pit feature, the setback needed was determined to be a minimum of approximately 10m from the top of feature (see site plan for details). Essentially, based on site observations the undersigned confirms that the road embankment and Marcer Road appear to be situated in a stable state.; Based on the current state of the Sand Pit and nearby fill area, it is the opinion of the undersigned that further work is required to reinstate this area prior to consideration for residential development, and as such this area, including the Fill zone and the lands directly above and below be classed as Class B lands. Therefore, it is recommended that a covenant area be created to restrict the development of this specific area of proposed Lot B subject to further geotechnical advice and site works.



The current slope profiles were reviewed in the two noted cross-sectional alignment locations for the Site to better quantify the potential terrain hazard. A setback from the top of the excavated slope was calculated for the Sand Pit location on Alignment #1 by projecting an overall slope setback profile to shallow the pre-determined 2.5 Horizontal (H):1 Vertical (V) slope from the toe of the slope. This analysis resulted in a top of slope setback ranging between 8-10m. As such, and as noted above, the road embankment approximately 40-50m away was determined to be outside the influence of the Sand Pit excavation.

(A FOS = 1.5 was used as the safe slope benchmark for the site, following from: Canadian Foundation Engineering Manual, Canadian Geotechnical Society, 4 Ed, 2006).

6.5 Marina and Reservoir Foreshore Slopes

EBA conducted an analysis of the foreshore conditions along the Lake (Reservoir) and concluded that these lands are considered Class B and C lands, and as such they determined that a setback was required from the top of bank of 15m. Refer to the EBA Figure #4, which we have attached to this report for reference. Further to our review of the site and soil conditions, the undersigned agrees with and confirms the EBA recommendations, and as such recommend that this setback continue to be enforced back from the Reservoir foreshore.

The marina slopes were also reviewed and considered. They were excavated down through the compact glaciofluvial sand and gravel materials present in this area. The existing slope angle down to the marina varies between 25-39% (14-21°). These slopes were constructed at a lesser angle of repose than the recommended 2.5H:1V as per EBA to ensure that a FOS > 1.5 was achieved. It is the opinion of the undersigned that the marina slopes are stable and present no instability hazard to the lands above in their current state. Due to the nature of the marina side slopes, they shall be considered Class B lands, and should not be further disturbed without geotechnical advice. It is recommended that a minimum 7.5m setback back from the top of the marina side slopes for any proposed permanent structures, and that the setback zone be delineated as Class B land as well.

6.6 Condition of Proposed Lots C and D

Lots C and D previously contained a gravel extraction operation. This area is relatively level and bounded within the Reservoir and the Marina on three sides. Three test pits (TP18-02 to TP18-04) were put down in this area, and compact to loose native undisturbed glaciofluvial sands and gravels were observed. This area is considered to be Class A lands suitable for development, subject to the above foreshore setbacks.

7.0 RECOMMENDATIONS AND ASSURANCE:

The Sand Pit, Fill Zone, and nearby area contains lands that are currently considered to be Class B lands, and as such are only developable once further remedial works and study are completed to render them suitable for development. See attached site plan visually delineating these Classed lands for reference.

Until such time as adequately remediated works are completed to the satisfaction of a qualified geotechnical engineer, it is recommended that the following shall apply:

- no structures be built;
- no additional water be discharged towards or in the area;
- no vegetation/trees be removed; and
- no soil be disturbed in the area that increases the slope angles further.

Drilling and detailed analysis was not conducted, and it is our opinion that these recommendations should be considered conservative. As such, the above restrictions may be modified with a detailed study by a qualified geotechnical engineer.

Appropriate geotechnical language (as above) should appear in a Section 219 Restrictive Covenant over the Class B and C lands, as recommended and shown on the site plan.

It is believed the risk posed to the specific Class A building sites is low, and further state that:

Provided the above recommendations are followed it is confirmed that the proposed Class A lands are stable and suitable for residential development, and further, that such development will not negatively impact the stability of the adjacent slopes (location of a habitable dwelling behind the top of slope offset "no-build" setback line).

The undersigned confirms and is not aware of any reason why the land should not be considered safe for the intended use of individual residential buildings and development.

This study has been conducted in accordance with APEGBC's Guidelines for Legislated Landslide Assessments for Proposed Residential Development in British Columbia (2010), as well as the Canadian Geotechnical Society's Canadian Foundation Engineering Manual (2006).

SCHEDULE A
EXHIBIT Q



2441-00788-00

INITIAL GEOTECHNICAL ASSESSMENT REPORT KOOCANUSA VILLAGE, PART OF LOT 2, EPP14443, DL 10348, KD

8.0 CLOSURE:

McElhanney Consulting Services Ltd. is pleased to have had this opportunity to provide our services for you. Please note that our report is subject to the attached limitations. If you have any questions or require further information, please call the undersigned.

Sincerely,

Ryan Gibbard, P. ENG
Geotechnical Engineer



McElhanney Consulting Services Ltd.

Reviewed by:

Shiloh Carlson, P. ENG
Geotechnical Engineer

A handwritten signature in black ink, appearing to read 'Shiloh', followed by a horizontal line.

McElhanney Consulting Services Ltd.

Attached:

- Limitations of Liability (1 page);
- Site Plan #2441-00788-00, SP-1 (1 page);
- Cross Sectional Profiles #2441-00788-00, B100 and B101 (2 pages);
- Plan of Proposed Subdivision (1 page);
- Test Pit Logs (9 pages);
- Laboratory Gradation Testing (4 pages);
- EBA Geotechnical Report Figure 4 – Foreshore Setback (1 page);
- Site Plan #2441-00788-00, B200 (1 page);
- Appendix D – Landslide Assessment Assurance Statement (3 pages).

SCHEDULE A

EXHIBIT Q



McElhanney

Statement of Limitations – Geotechnical Services

Use of this Report. This report was prepared by McElhanney Consulting Services Ltd. ("McElhanney") for the particular site, design objective, development and purpose (the "Project") described in this report and for the exclusive use of the client identified in this report (the "Client"). The data, interpretations and recommendations pertain to the Project and are not applicable to any other project or site location and this report may not be reproduced, used or relied upon, in whole or in part, by a party other than the Client, without the prior written consent of McElhanney. The Client may provide copies of this report to its affiliates, contractors, subcontractors and regulatory authorities for use in relation to and in connection with the Project provided that any reliance, unauthorized use, and/or decisions made based on the information contained within this report are at the sole risk of such parties. McElhanney will not be responsible for the use of this report on projects other than the Project, where this report or the contents hereof have been modified without McElhanney's consent, to the extent that the content is in the nature of an opinion, and if the report is preliminary or draft. This is a technical report and is not a legal representation or interpretation of laws, rules, regulations, or policies of governmental agencies. The professional services retained for this Project include only the geotechnical aspects of the subsurface conditions at the site, unless otherwise specifically stated and identified in this report. In particular, environmental conditions such as surface and subsurface contamination are outside the scope of this report.

Standard of Care and Disclaimer of Warranties. This study and report have been prepared in accordance with generally accepted engineering and scientific judgments, principles and practices. McElhanney expressly disclaims any and all warranties in connection with this report including, without limitation, any warranty that this report and the associated site review work has uncovered all potential geotechnical liabilities associated with the subject property.

Effect of Changes. All evaluations and conclusions stated in this report are based on facts, observations, site-specific details, legislation and regulations as they existed at the time of the site assessment. Some conditions are subject to change over time and the Client recognizes that the passage of time, natural occurrences, and direct or indirect human intervention at or near the site may substantially alter such evaluations and conclusions. Construction activities can significantly alter soil, rock and other geologic conditions on the site. McElhanney should be requested to re-evaluate the conclusions of this report and to provide amendments as required prior to any reliance upon the information presented herein upon any of the following events: a) any changes (or possible changes) as to the site, purpose, or development plans upon which this report was based, b) any changes to applicable laws subsequent to the issuance of the report, c) new information is discovered in the future during site excavations, construction, building demolition or other activities, or d) additional subsurface assessments or testing conducted by others.

Subsurface Risks. Soil, rock and groundwater data were collected in general accordance with the standards and methods described in the document. The classification and identification of soils, rocks and geologic formations was based on commonly accepted methods employed in the practice of geotechnical engineering and related disciplines. Interpretations of groundwater levels and flow direction are based on water level observations at selected test hole locations and are expected to fluctuate. Observations at test holes indicate the approximate subsurface conditions at those locations only. Subsurface conditions between test holes were based, by necessity, on judgement and assumptions of what exists between the actual locations sampled, and may vary significantly from actual site conditions and all persons making use of this report should be aware of, and accept, this risk. Even a comprehensive sampling and testing program, implemented in accordance with appropriate equipment by experienced personnel, may fail to detect all or certain conditions.

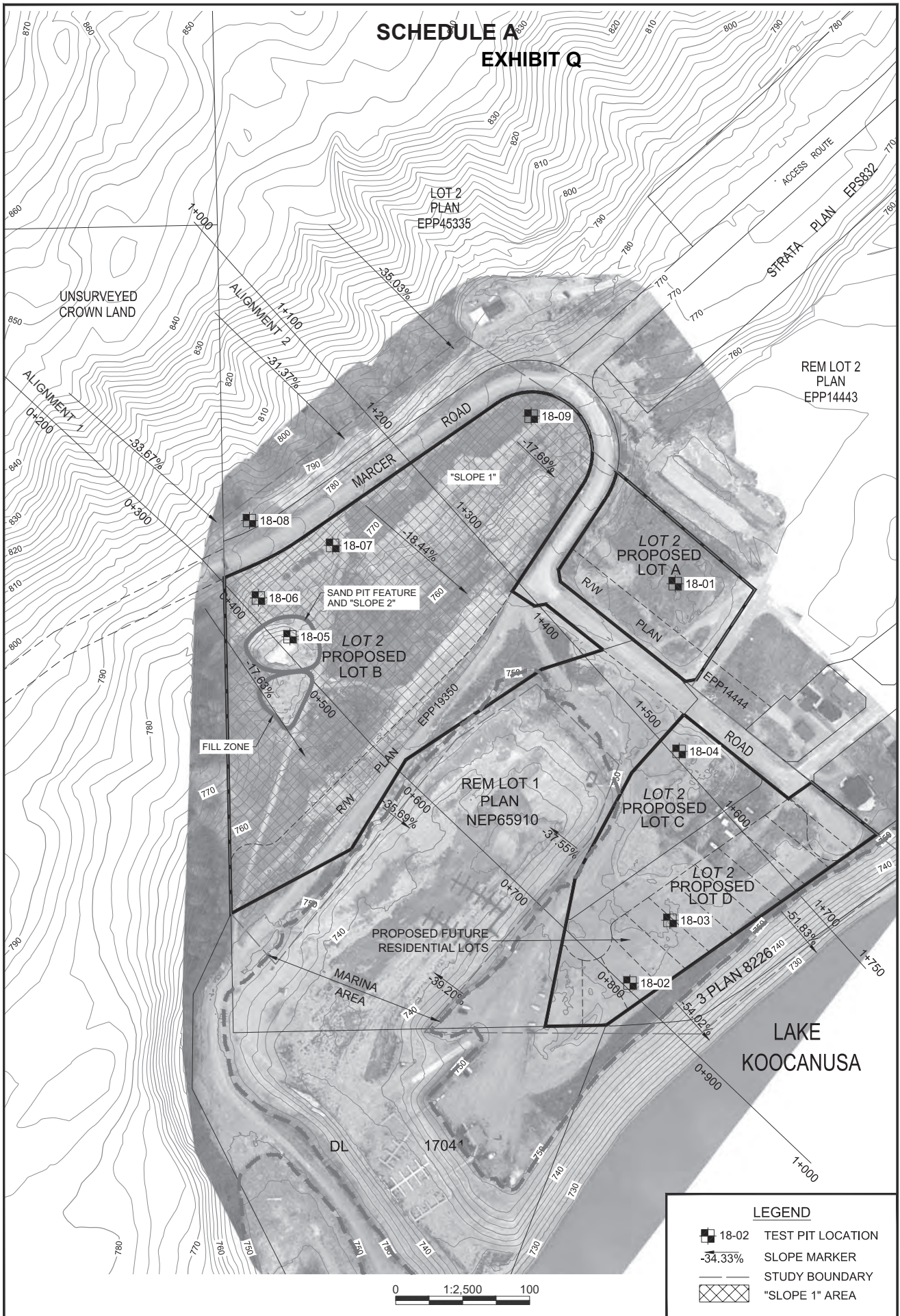
Information from Client and Third Parties. McElhanney has relied in good faith on information provided by the Client and third parties noted in this report and has assumed such information to be accurate, complete, reliable, non-fringing, and fit for the intended purpose without independent verification. McElhanney accepts no responsibility for any deficiency, misstatements or inaccuracy contained in this report as a result of omissions or errors in information provided by third parties or for omissions, misstatements or fraudulent acts of persons interviewed.

Underground Utilities and Damages. In the performance of the services, McElhanney has taken reasonable precautions to avoid damage or injury to subterranean structures or utilities. Subsurface sampling may result in unavoidable contamination of certain subsurface areas not known to be previously contaminated such as, but not limited to, a geologic formation, the groundwater or other hydrous body. McElhanney will adhere to an appropriate standard of care during the conduct of any subsurface sampling.

Independent Judgments. McElhanney will not be responsible for the independent conclusions, interpretations, interpolations and/or decisions of the Client, or others, who may come into possession of this report, or any part thereof. This restriction of liability includes decisions made to purchase, finance or sell land or with respect to public offerings for the sale of securities.

Construction. The subsurface information contained in this report were obtained for the owner's information and design. The extent and detail of assessments necessary to determine all relevant conditions that may affect construction costs would normally be greater than the assessments carried out for this report. Accordingly, a contingency fund to allow for the possibility of variations of subsurface conditions should be included in the construction budget to cover costs associated with modifications of the design and construction procedures resulting from conditions that vary from the assumptions in this report. If during construction, subsurface conditions are found to be other than those described in this report, McElhanney is to be notified and may alter or modify the geotechnical report recommendations. If McElhanney is not retained to provide services during construction, then McElhanney is not responsible for confirming or recording that subsurface conditions do not materially differ from those interpreted conditions contained in this report or for confirming or recording that construction activities have not adversely affected subsurface conditions or the recommendations contained in this report.

SCHEDULE A EXHIBIT Q

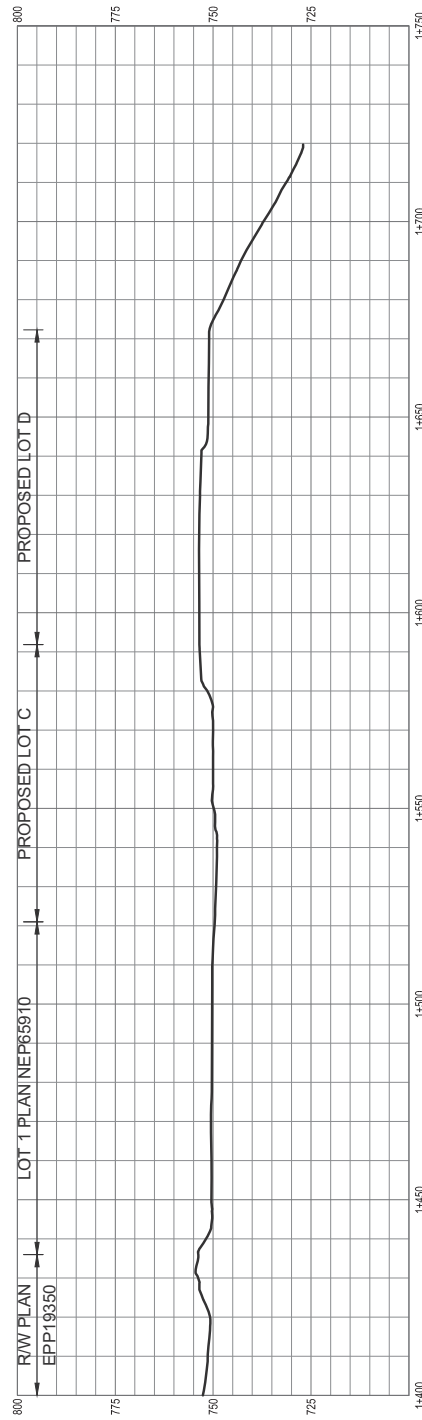
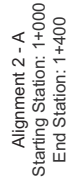


0 1:2,500 100

LEGEND

- 18-02 TEST PIT LOCATION
- 34.33% SLOPE MARKER
- STUDY BOUNDARY
- "SLOPE 1" AREA

EXHIBIT Q



1800 Willowbrook Drive
Oxnard BC
Canada V1C 7H9
Tel 250 489 3013

KOO CANUSA VILLAGE

Project Number	2441-00788-00
----------------	---------------

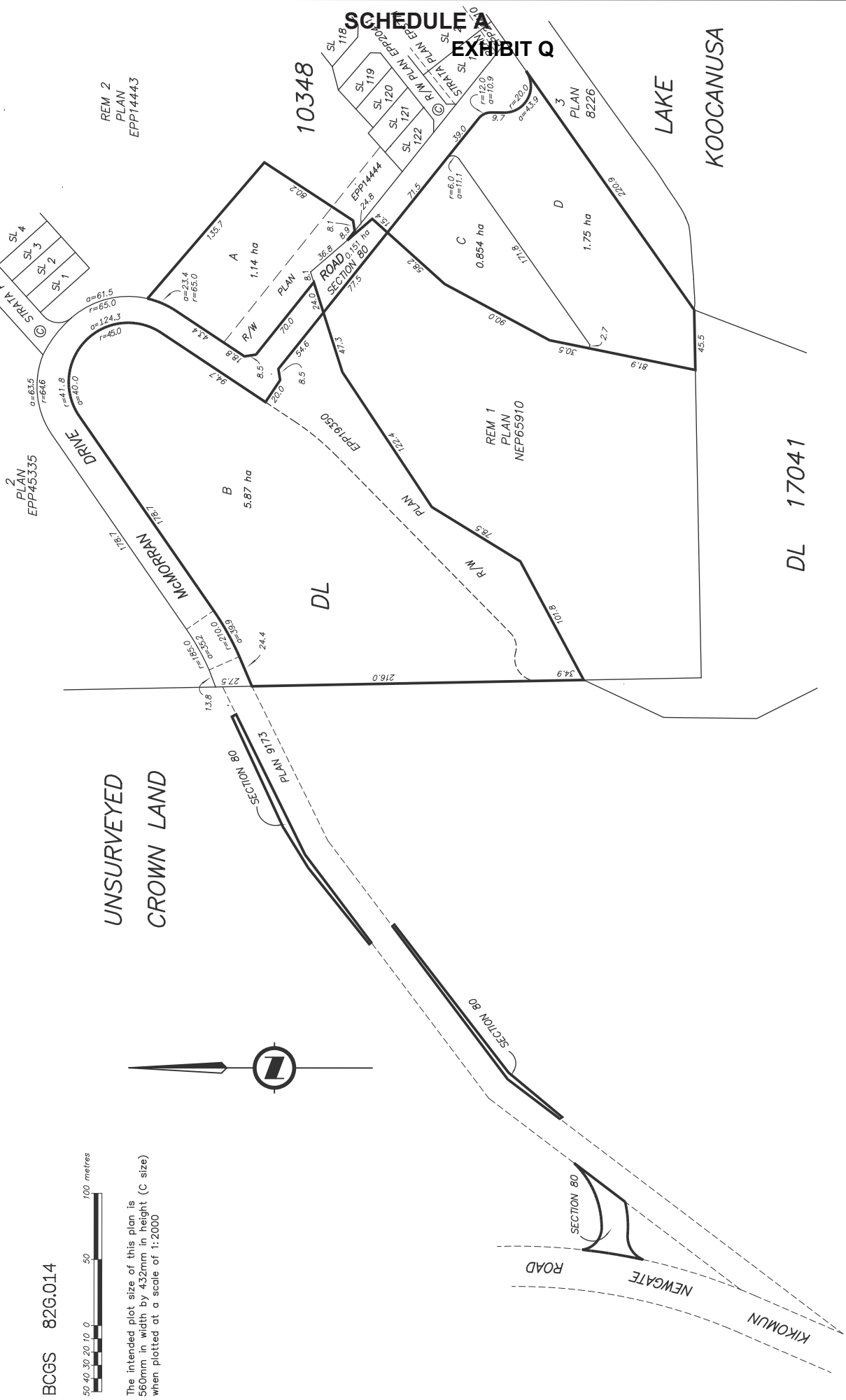
ORIGINAL DWG SIZE: ANSI B (11" x 17")

PLAN OF PROPOSED SUBDIVISION OF PART OF LOT 2 DISTRICT LOT 10348 KOOTENAY DISTRICT PLAN EPP14443, PART OF LOT 1 DISTRICT LOT 10348 KOOTENAY DISTRICT PLAN NEP65910 (SECTION 80) AND UNSURVEYED CROWN LAND (SECTION 80)

BCGS 82G.014



The intended plot size of this plan is
 560mm in width by 432mm in height (C size)
 when plotted at a scale of 1:2000



SCHEDULE A
 EXHIBIT Q

McElhanney # 2441-00788-00 TEST LOCATION: See Site Plan DATE: Sept 4, 2018
PROJECT: Koocanusa Landing ELEVATION DATUM: 775.6m
REGION: Koocanusa Lake, B.C. INVESTIGATION METHOD: Deere - 135 C, Steel Track Excavator

DEPTH (metres)	ELEV. (m)	SOIL PROFILE	SOIL DESCRIPTION	TEST SAMPLES	OTHER TEST COMMENTS
0.0	775.6		Topsoil – silts and organics, dry, brown, loose.		S–1 @ 0.15m.
0.17	775.4		Glaciolacustrine silty clay – some fine sand, layering evident, some dark mottling observed, low plasticity, light brown, damp, stiff.		
2.5	773.1		Test Pit discontinued. No groundwater encountered.		S–2 @ 1.5m




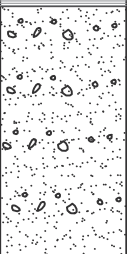
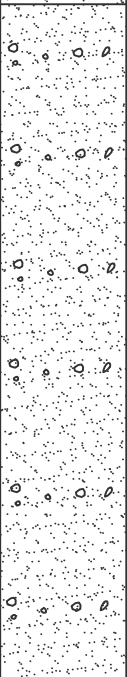
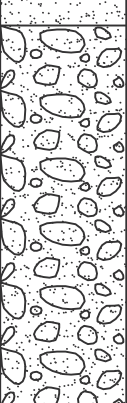


McElhanney # 2441-00788-00 TEST LOCATION: See Site Plan DATE: Sept 4, 2018
PROJECT: Koocanusa Landing ELEVATION DATUM: 750.0m
REGION: Koocanusa Lake, B.C. INVESTIGATION METHOD: Deere - 135 C, Steel Track Excavator

DEPTH (meters)	ELEV. (m)	SOIL PROFILE	SOIL DESCRIPTION	TEST SAMPLES	OTHER TEST COMMENTS
0.0	750.0				S-1 @ 0.7m.
0.1	749.9		Gravelly Silts - weathered, dry, loose.		
			Glacialfluvial/fluvial gravels and medium to coarse sands - occasional cobbles, trace fines, light brown, damp, loose/compact.		
0.6	749.4		Glacialfluvial clean medium to coarse grained sands - some small gravels, light brown, damp, loose.		
1.0	749.0		Transitions to include more gravel content and occasional cobbles and boulders. brown, loose.		Test Pit sloughing throughout.
2.1	747.9		Test Pit discontinued. No groundwater encountered.		


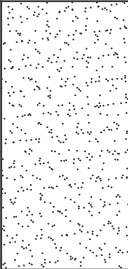


McElhanney # 2441-00788-00 TEST LOCATION: See Site Plan DATE: Sept 4, 2018
 PROJECT: Koocanusa Landing ELEVATION DATUM: 748.9m
 REGION: Koocanusa Lake, B.C. INVESTIGATION METHOD: Deere - 135 C, Steel Track Excavator

DEPTH (meters)	ELEV. (m)	SOIL PROFILE	SOIL DESCRIPTION	TEST SAMPLES	OTHER TEST COMMENTS
0.0	748.9		Gravelly Silt Fill – weathered, dry, occasional rootlets, loose.		S-1 @ 0.8m. Gradation of S-1: 6.5% Gravel, 92.6% Sand, 0.9% Silt/Clay, 1.6% Moisture
0.3	748.6		Glacialfluvial medium to coarse sands – moist, occasional small gravels, grey, loose.		
0.75	748.2		Glacialfluvial coarse sands – trace gravels, damp, brown, loose. occasional small gravels observed.		
2.0	746.9		Glacialfluvial gravelly sands – cobbles and occasional boulders, damp, brown, dense.		Test Pit sloughing
2.7	746.2		Test Pit discontinued. No groundwater encountered.		

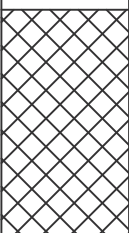

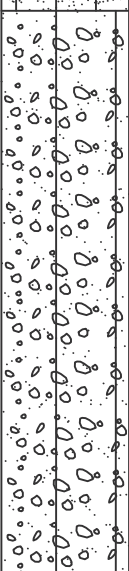
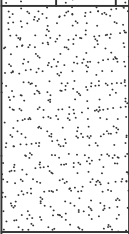


McElhanney # 2441-00788-00 TEST LOCATION: See Site Plan DATE: Sept 4, 2018
PROJECT: Koocanusa Landing ELEVATION DATUM: 775.6m
REGION: Koocanusa Lake, B.C. INVESTIGATION METHOD: Deere - 135 C, Steel Track Excavator

DEPTH (meters)	ELEV. (m)	SOIL PROFILE	SOIL DESCRIPTION	TEST SAMPLES	OTHER TEST COMMENTS
0.0	775.6		Silt fill (overburden).		Shallow Test Pit in the existing sand borrow pit.
			Depths range up to 1m.		
	774+/-		Glacialfluvial clean medium to coarse grained sand, damp, loose.		
			variable depths.		
			Test Pit discontinued. No groundwater encountered.		

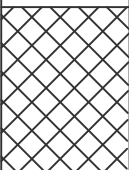

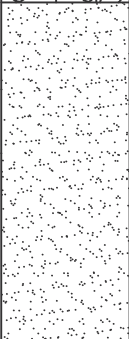


McElhanney # 2441-00788-00 TEST LOCATION: See Site Plan DATE: Sept 4, 2018
PROJECT: Koocanusa Landing ELEVATION DATUM: 775.6m
REGION: Koocanusa Lake, B.C. INVESTIGATION METHOD: Deere - 135 C, Steel Track Excavator

DEPTH (meters)	ELEV. (m)	SOIL PROFILE	SOIL DESCRIPTION	TEST SAMPLES	OTHER TEST COMMENTS
0.0	775.6		Sandy Gravel Fill – light brown, weathered, dry, loose.		S-1 @ 1.0m. Gradation of S-1: 44.0% Gravel, 35.9% Sand, 20.1% Silt/Clay, 3.9% Moisture
0.4	775.2		Silty fine Sand – brown, damp, loose.		
0.6	775.0		Transitions to Glacialfluvial gravel and sand, some silt, trace clay, medium brown, damp, dense.		
1.65	774.0		Glacialfluvial clean sand – brown, damp, compact.		
2.0	773.6		Test Pit discontinued. No groundwater encountered.		


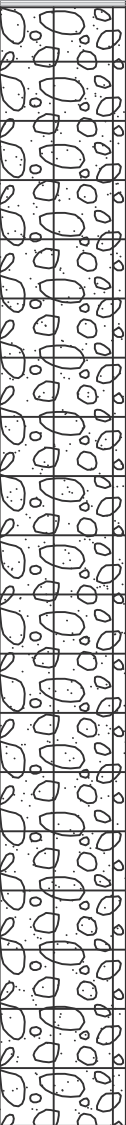


McElhanney # 2441-00788-00 TEST LOCATION: See Site Plan DATE: Sept 4, 2018
PROJECT: Koocanusa Landing ELEVATION DATUM: 774.6m
REGION: Koocanusa Lake, B.C. INVESTIGATION METHOD: Deere - 135 C, Steel Track Excavator

DEPTH (meters)	ELEV. (m)	SOIL PROFILE	SOIL DESCRIPTION	TEST SAMPLES	OTHER TEST COMMENTS
0.0	774.6		Sandy Gravel Fill – weathered, grey, dry, trace silt, occasional cobbles, loose.		
0.3	774.3		Glacialfluvial gravel and sand – some silt, cobbles and occasional boulders, medium brown, damp, dense.		
2.0	772.6		Glacialfluvial clean medium to coarse sand – brown, damp, compact.		
2.60	772.0		Test Pit discontinued. No groundwater encountered.		



McElhanney # 2441-00788-00 TEST LOCATION: See Site Plan DATE: Sept 4, 2018
 PROJECT: Koocanusa Landing ELEVATION DATUM: 788.9m
 REGION: Koocanusa Lake, B.C. INVESTIGATION METHOD: Deere - 135 C, Steel Track Excavator

DEPTH (meters)	ELEV. (m)	SOIL PROFILE	SOIL DESCRIPTION	TEST SAMPLES	OTHER TEST COMMENTS
0.0	788.9		Topsoil - gravels and sand, weathered, dry, rootlets, loose.		
0.4	788.5		Glacial till sandy gravels - some silt, trace clay, cobbles and occasional boulders, light brown, damp, compact to		
2.4	786.5		Test Pit discontinued. No groundwater encountered.		S-1 @ 2.4m. Gradation of S-1: 45.6% Gravel, 33.1% Sand, 21.3% Silt/Clay, 4.7% Moisture

McElhanney # 2441-00788-00 TEST LOCATION: See Site Plan DATE: Sept 4, 2018
PROJECT: Koocanusa Landing ELEVATION DATUM: 764.8m
REGION: Koocanusa Lake, B.C. INVESTIGATION METHOD: Deere - 135 C, Steel Track Excavator

[illegible]



SCHEDULE A
EXHIBIT Q

PARTICLE SIZE ANALYSIS

Project No: 18.0003.AR
Project: McElhanney General
Client: McElhanney Consulting Services Ltd.

Lab ID: S18580
Client Project: 2441-00788-00
Date Received: September 25, 2018

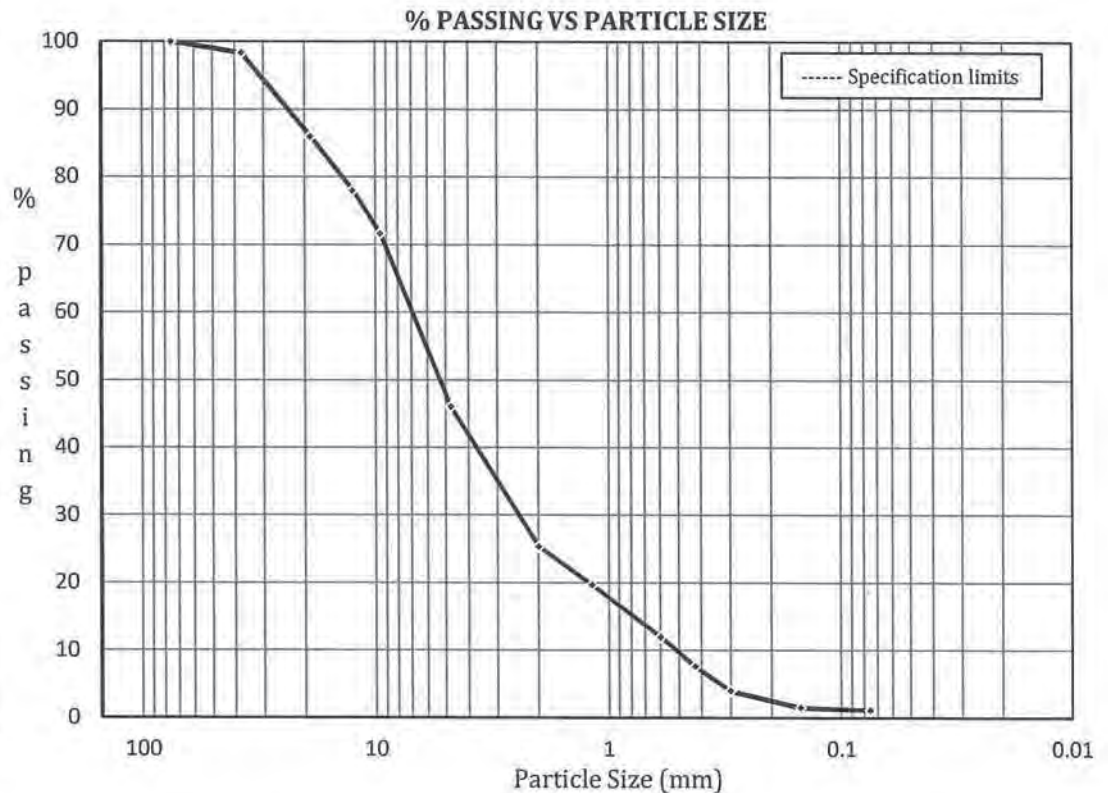
Attn: Ryan Gibbard
CC: -

Sample Description: GRAVEL and SAND, trace silt/clay
Sample ID: 18-02 S2 @ 1.6m
Sample Source: Geotechnical Investigation

Sample Date: -
Sample Time: -
Sampled By: Client

Specification: NA

Sieve Analysis		
Sieve Size (mm)	% Passing	Specification limits
150.0		
75.0	100.0	
37.5	98.3	
19.0	85.9	
12.5	78.0	
9.5	71.6	
4.75	46.0	
2.00	25.4	
1.18	19.7	
0.600	12.0	
0.425	7.6	
0.300	4.0	
0.150	1.6	
0.075	1.2	



Summary

Cobble : >75mm 0.0 %
Gravel : < 75mm and > 4.75mm 54.0 %
Sand : < 4.75mm and > 0.075mm 44.8 %
Silt/Clay : < 0.075mm 1.2 %

Moisture Content: 1.2%

Comments: -

Tested in accordance with ASTM C136 Sieve Analysis of Fine and Coarse Aggregates /C117 Materials Finer than 75-µm (No. 200) Sieve in Mineral Aggregates by Washing

Report Date: September 27, 2018

Reviewed By:

Bryan Morrison, BSc.



PARTICLE SIZE ANALYSIS

Project No: 18.0003.AR
Project: McElhanney General
Client: McElhanney Consulting Services Ltd.

Lab ID: S18581
Client Project: 2441-00788-00
Date Received: September 25, 2018

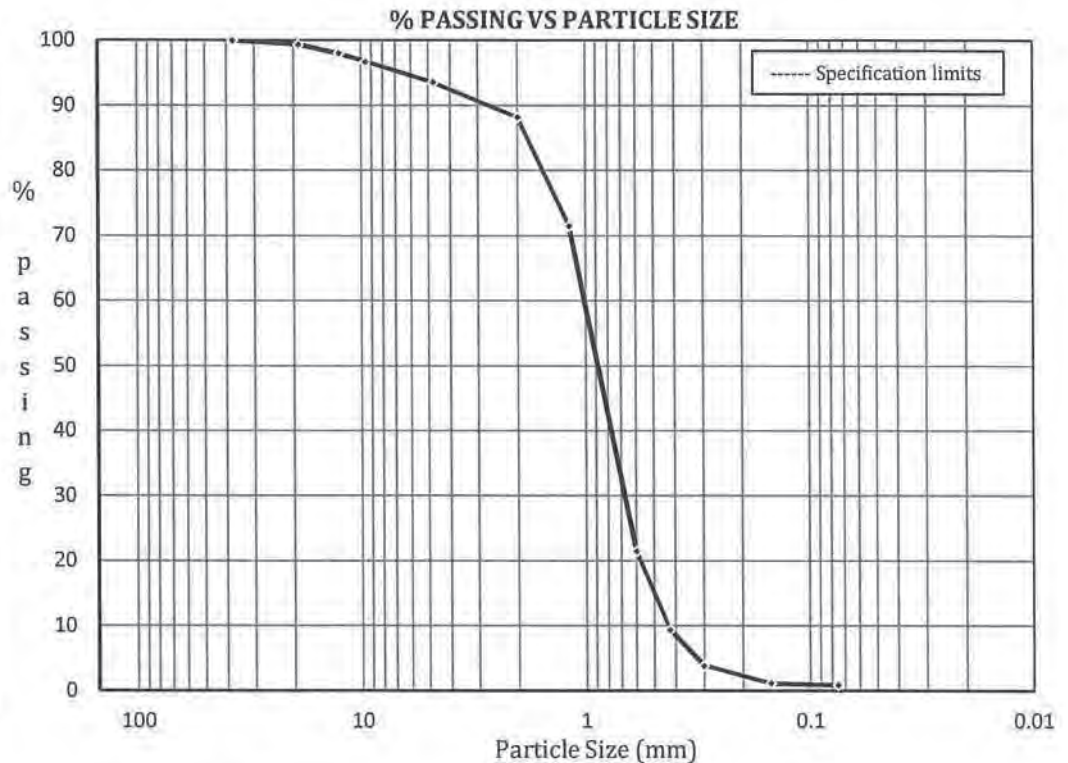
Attn: Ryan Gibbard
CC: -

Sample Description: SAND, trace gravel, trace silt/clay
Sample ID: 18-04 S1 @ 0.8m
Sample Source: Geotechnical Investigation

Sample Date: -
Sample Time: -
Sampled By: Client

Specification: NA

Sieve Analysis		
Sieve Size (mm)	% Passing	Specification limits
150.0		
75.0		
37.5	100.0	
19.0	99.3	
12.5	97.9	
9.5	96.7	
4.75	93.5	
2.00	88.1	
1.18	71.5	
0.600	21.5	
0.425	9.3	
0.300	3.8	
0.150	1.2	
0.075	0.9	



Summary


Cobble : >75mm 0.0 %
Gravel : < 75mm and > 4.75mm 6.5 %
Sand : < 4.75mm and > 0.075mm 92.6 %
Silt/Clay : < 0.075mm 0.9 %

Moisture Content: 1.6%

Comments: -

Tested in accordance with ASTM C136 Sieve Analysis of Fine and Coarse Aggregates /C117 Materials Finer than 75- μ m (No. 200) Sieve in Mineral Aggregates by Washing

Report Date: September 27, 2018

Reviewed By: 
Bryan Morrison, BSc.



PARTICLE SIZE ANALYSIS

Project No: 18.0003.AR
Project: McElhanney General
Client: McElhanney Consulting Services Ltd.

Lab ID: S18582
Client Project: 2441-00788-00
Date Received: September 25, 2018

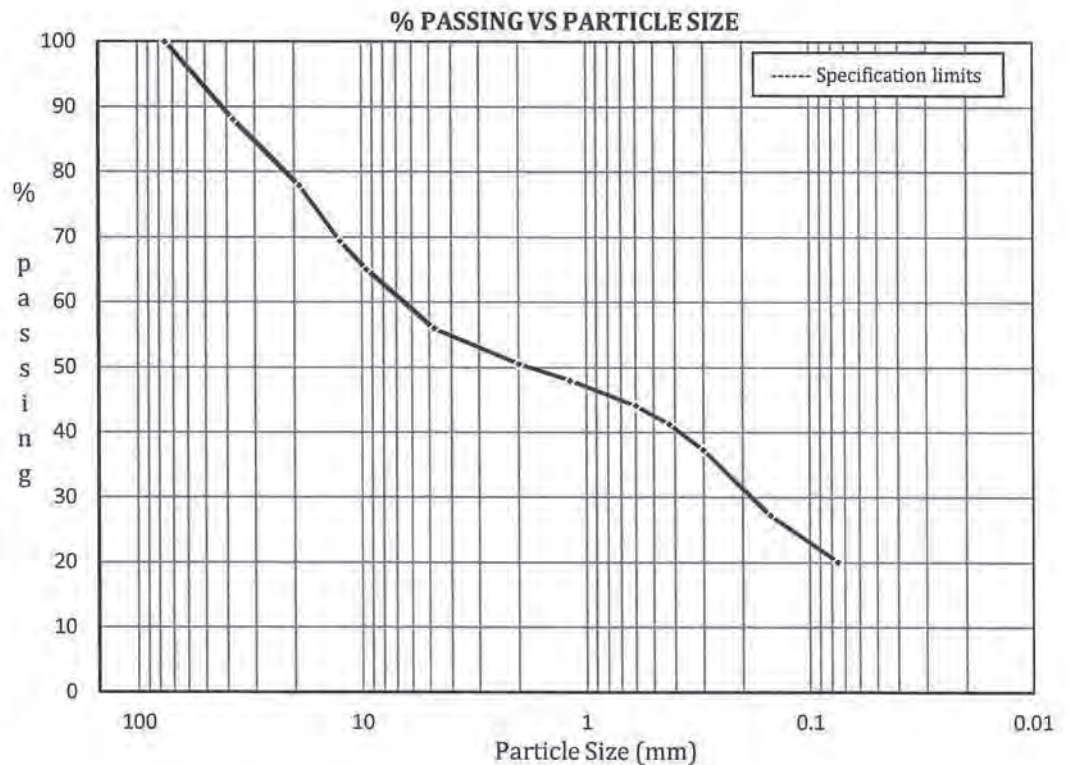
Attn: Ryan Gibbard
CC: -

Sample Description: Silty/clayey GRAVEL and SAND
Sample ID: 18-06 S1 @ 1.0m
Sample Source: Geotechnical Investigation

Sample Date: -
Sample Time: -
Sampled By: Client

Specification: NA

Sieve Analysis		
Sieve Size (mm)	% Passing	Specification limits
150.0		
75.0	100.0	
37.5	88.0	
19.0	77.8	
12.5	69.3	
9.5	65.0	
4.75	56.0	
2.00	50.5	
1.18	47.9	
0.600	44.1	
0.425	41.3	
0.300	37.3	
0.150	27.2	
0.075	20.1	



Summary

Cobble : >75mm 0.0 %
Gravel : < 75mm and > 4.75mm 44.0 %
Sand : < 4.75mm and > 0.075mm 35.9 %
Silt/Clay : < 0.075mm 20.1 %

Moisture Content: 3.9%

Comments: -

Tested in accordance with ASTM C136 Sieve Analysis of Fine and Coarse Aggregates /C117 Materials Finer than 75-µm (No. 200) Sieve in Mineral Aggregates by Washing

Report Date: September 27, 2018

Reviewed By:
Bryan Morrison, BSc.



PARTICLE SIZE ANALYSIS

Project No: 18.0003.AR
Project: McElhanney General
Client: McElhanney Consulting Services Ltd.

Lab ID: S18583
Client Project: 2441-00788-00
Date Received: September 25, 2018

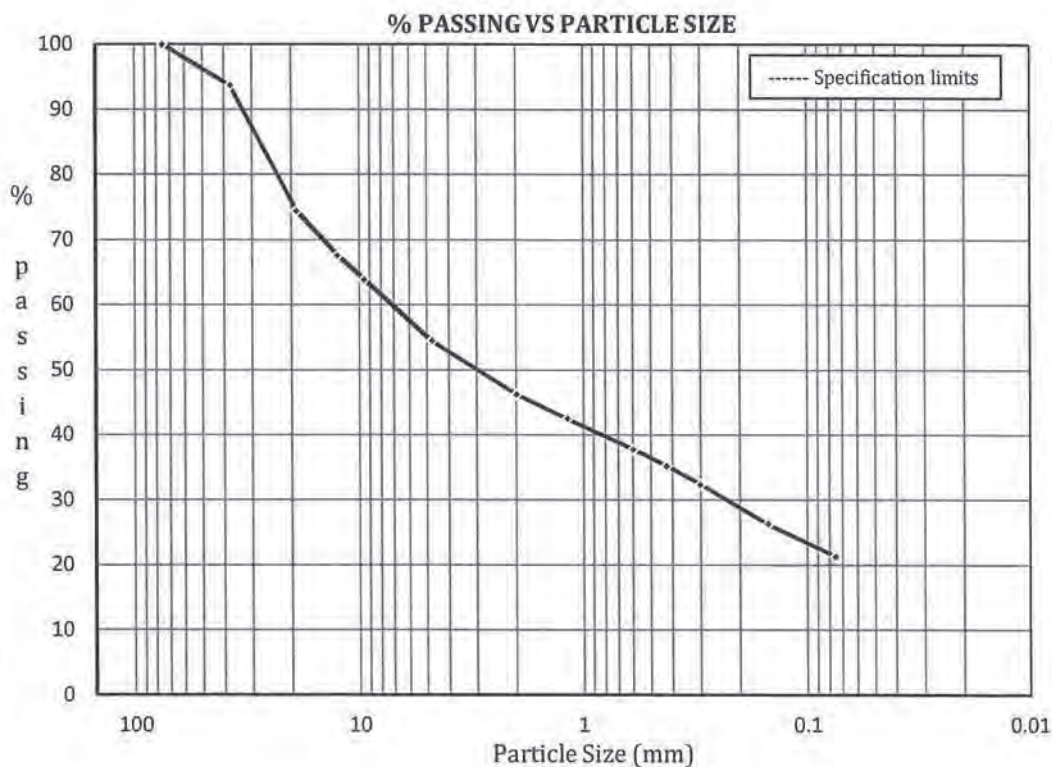
Attn: Ryan Gibbard
CC: -

Sample Description: Sandy, silty/clayey GRAVEL
Sample ID: 18-08 S1 @ 2.1m
Sample Source: Geotechnical Investigation

Sample Date: -
Sample Time: -
Sampled By: Client

Specification: NA

Sieve Analysis		
Sieve Size (mm)	% Passing	Specification limits
150.0		
75.0	100.0	
37.5	93.7	
19.0	74.4	
12.5	67.6	
9.5	63.9	
4.75	54.4	
2.00	46.2	
1.18	42.5	
0.600	37.8	
0.425	35.3	
0.300	32.4	
0.150	26.3	
0.075	21.3	



Summary

Cobble : >75mm 0.0 %
Gravel : < 75mm and > 4.75mm 45.6 %
Sand : < 4.75mm and > 0.075mm 33.1 %
Silt/Clay : < 0.075mm 21.3 %

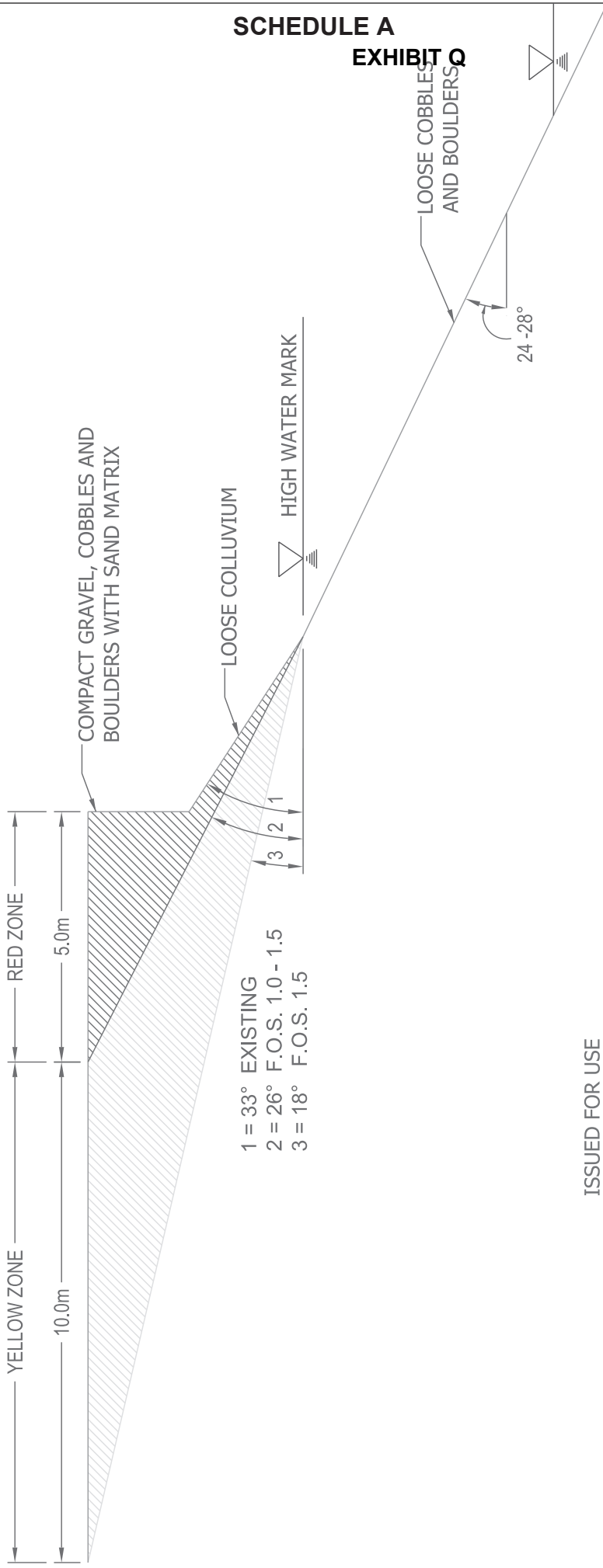
Moisture Content: 4.7%

Comments: -

Tested in accordance with ASTM C136 Sieve Analysis of Fine and Coarse Aggregates / C117 Materials Finer than 75- μ m (No. 200) Sieve in Mineral Aggregates by Washing

Report Date: September 27, 2018

Reviewed By:
Bryan Morrison, BSc.



CLIENT

MARCE RANCHING
LTD.

LAKE KOOCANUSA RESORT

TYPICAL ZONE 1
FORESHORE SETBACK

**EBA Engineering
Consultants Ltd.**



PROJECT NO.
K23101173.002
OFFICE
EBA-KELOWNA

DWN
RH
DATE
December 13, 2007

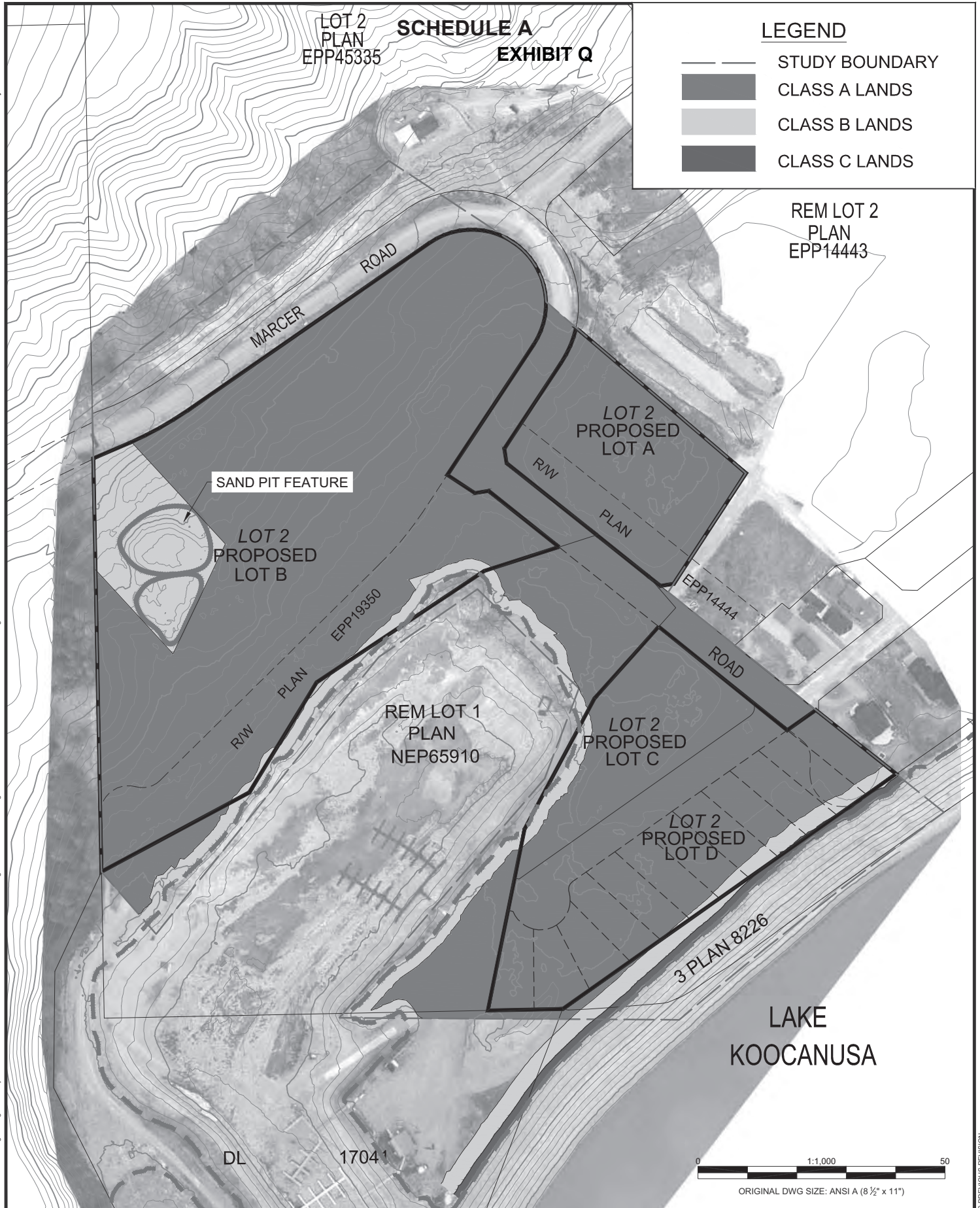
CKD
SM

REV
0

Figure 4

NOT TO SCALE





McElhanney

McElhanney Consulting Services Ltd.

1800 Willowbrook Drive
Cranbrook BC
Canada V1C 7H9
Tel 250 489 3013

977230 ALBERTA LTD.

KOOCANUSA VILLAGE

SITE HAZARD CLASSIFICATION

CONTOUR INTERVAL : 2 METRE

Drawing No.

B-200

Project Number
2441-00788-00

Rev.
0

**SCHEDULE A
EXHIBIT Q**

**APPENDIX D: LANDSLIDE ASSESSMENT ASSURANCE
STATEMENT**

Note: This Statement is to be read and completed in conjunction with the "APEGBC Guidelines for Legislated Landslide Assessments for Proposed Residential Development in British Columbia", March 2006/Revised September 2008 ("APEGBC Guidelines") and the "2006 BC Building Code (BCBC 2006)" and is to be provided for *landslide assessments* (not floods or flood controls) for the purposes of the Land Title Act, Community Charter or the Local Government Act. Italicized words are defined in the APEGBC Guidelines.

To: The Approving Authority

Date: Oct 23, 2018

Ministry of Transportation + Infrastructure
Cranbrook BC

Jurisdiction and address

With reference to (check one):

- ☒ Land Title Act (Section 86) – Subdivision Approval
- ☐ Local Government Act (Sections 919.1 and 920) – Development Permit
- ☐ Community Charter (Section 56) – Building Permit
- ☐ Local Government Act (Section 910) – Flood Plain Bylaw Variance
- ☐ Local Government Act (Section 910) – Flood Plain Bylaw Exemption
- ☐ British Columbia Building Code 2006 sentences 4.1.8.16 (8) and 9.4 4.4.(2) (Refer to BC Building and Safety Policy Branch Information Bulletin B10-01 issued January 18, 2010)

For the Property:

PART OF LOT 2, PLAN EPP 14443, DL 10348, KD
Legal description and civic address of the Property

The undersigned hereby gives assurance that he/she is a *Qualified Professional* and is a *Professional Engineer* or *Professional Geoscientist*.

I have signed, sealed and dated, and thereby certified, the attached *landslide assessment* report on the Property in accordance with the *APEGBC Guidelines*. That report must be read in conjunction with this Statement. In preparing that report I have:

Check to the left of applicable items

- ☒ 1. Collected and reviewed appropriate background information
- ☒ 2. Reviewed the proposed *residential development* on the Property
- ☒ 3. Conducted field work on and, if required, beyond the Property
- ☒ 4. Reported on the results of the field work on and, if required, beyond the Property
- ☒ 5. Considered any changed conditions on and, if required, beyond the Property
- 6. For a *landslide hazard analysis* or *landslide risk analysis* I have:
 - ☒ 6.1 reviewed and characterized, if appropriate, any *landslide* that may affect the Property
 - ☒ 6.2 estimated the *landslide hazard*
 - ☒ 6.3 identified existing and anticipated future *elements at risk* on and, if required, beyond the Property
 - ☒ 6.4 estimated the potential *consequences* to those *elements at risk*
- 7. Where the *Approving Authority* has adopted a *level of landslide safety* I have:
 - ☐ 7.1 compared the *level of landslide safety* adopted by the *Approving Authority* with the findings of my investigation
 - ☐ 7.2 made a finding on the *level of landslide safety* on the Property based on the comparison
 - ☐ 7.3 made recommendations to reduce *landslide hazards* and/or *landslide risks*
- 8. Where the *Approving Authority* has **not** adopted a *level of landslide safety* I have:

SCHEDULE A

EXHIBIT Q

- ☒ 8.1 described the method of *landslide hazard analysis* or *landslide risk analysis* used
- ☒ 8.2 referred to an appropriate and identified provincial, national or international guideline for *level of landslide safety*
- ☒ 8.3 compared this guideline with the findings of my investigation
- ☒ 8.4 made a finding on the *level of landslide safety* on the Property based on the comparison
- ☒ 8.5 made recommendations to reduce *landslide hazards* and/or *landslide risks*
- ☒ 9. Reported on the requirements for future inspections of the Property and recommended who should conduct those inspections.

Based on my comparison between

Check one

- ☐ the findings from the investigation and the adopted *level of landslide safety* (item 7.2 above)
- ☒ the appropriate and identified provincial, national or international guideline for *level of landslide safety* (item 8.4 above)

I hereby give my assurance that, based on the conditions^[1] contained in the attached *landslide assessment report*,

Check one

- ☒ for subdivision approval, as required by the Land Title Act (Section 86), "that the land may be used safely for the use intended"

Check one

- ☒ with one or more recommended registered covenants.
- ☐ without any registered covenant.

- ☐ for a development permit, as required by the Local Government Act (Sections 919.1 and 920), my report will "assist the local government in determining what conditions or requirements under [Section 920] subsection (7.1) it will impose in the permit".

- ☐ for a building permit, as required by the Community Charter (Section 56), "the land may be used safely for the use intended"

Check one

- ☐ with one or more recommended registered covenants.
- ☐ without any registered covenant.

- ☐ for flood plain bylaw variance, as required by the "Flood Hazard Area Land Use Management Guidelines" associated with the Local Government Act (Section 910), "the development may occur safely".

- ☐ for flood plain bylaw exemption, as required by the Local Government Act (Section 910), "the land may be used safely for the use intended".

RYAN GIBBARD, P.ENG
Name (print)
Signature
PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
38667
ENGINEER

OCT 23 2018
Date

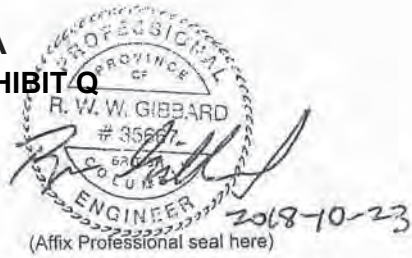
^[1] When seismic slope stability assessments are involved, *level of landslide safety* is considered to be a "life safety" criteria as described in the National Building Code of Canada (NBCC 2005), Commentary on Design for Seismic Effects in the User's Guide, Structural Commentaries, Part 4 of Division B. This states:

"The primary objective of seismic design is to provide an acceptable level of safety for building occupants and the general public as the building responds to strong ground motion; in other words, to minimize loss of life. This implies that, although there will likely be extensive structural and non-structural damage, during the DGM (design ground motion), there is a reasonable degree of confidence that the building will not collapse nor will its attachments break off and fall on people near the building. This performance level is termed 'extensive damage' because, although the structure may be heavily damaged and may have lost a substantial amount of its initial strength and stiffness, it retains some margin of resistance against collapse".

SCHEDULE A

EXHIBIT Q

1800 WILLOW BROOK DRIVE
Address
CRANBROOK BC
250-482-3013
Telephone



If the *Qualified Professional* is a member of a firm, complete the following.

I am a member of the firm MC ELHANNON CONSULTING SERVICES LTD.
and I sign this letter on behalf of the firm. (Print name of firm)

REFERENCE PLAN OF COVENANT OVER
PARTS OF LOTS B AND D DISTRICT LOT
10348 KOOTENAY DISTRICT PLAN EPP101154
PURSUANT TO SECTION 99(1)(e) OF THE LAND TITLE ACT.

BCGS 829.014

THE INTENDED PLAT SIZE OF THIS PLAN IS
864mm IN WIDTH BY 560mm IN HEIGHT (D SIZE)
WHEN PLOTTED AT A SCALE OF 1:1000

LEGEND:
GRID BEARINGS ARE DERIVED FROM PLAN EPP101154 AND ARE
REFERENCED TO THE CENTRAL MERIDIAN OF UTM ZONE 11 (17° WEST
MAGNETIC ANGLE).

THE COVENANTS AND ESTIMATED ABSOLUTE ACCURACY
ACHIEVED ARE DERIVED FROM PLAN EPP101154.

THIS PLAN SHOWS HORIZONTAL GROUND-LEVEL DISTANCES, UNLESS
OTHERWISE SPECIFIED, TO COMPUTE GRID DISTANCES. MULTIPLY
GROUND-LEVEL DISTANCES BY THE AVERAGE COMBINED SCALE FACTOR
DETERMINED BASED ON AN ELIPSOIDAL ELEVATION OF 739 METRES.

ALL DISTANCES ARE IN METRES.

BEARINGS TO BEARING TREES ARE MAGNETIC.

— DENOTES STANDARD IRON POST FOUND
— DENOTES STANDARD CONCRETE POST FOUND
— DENOTES STANDARD IRON POST PLACED
BT — DENOTES BEARING TREE FOUND
M — DENOTES MEASURED
C — DENOTES COMMON PROPERTY

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

UNSURVEYED
CROWN LAND

SCHEDULE B
EXHIBIT Q

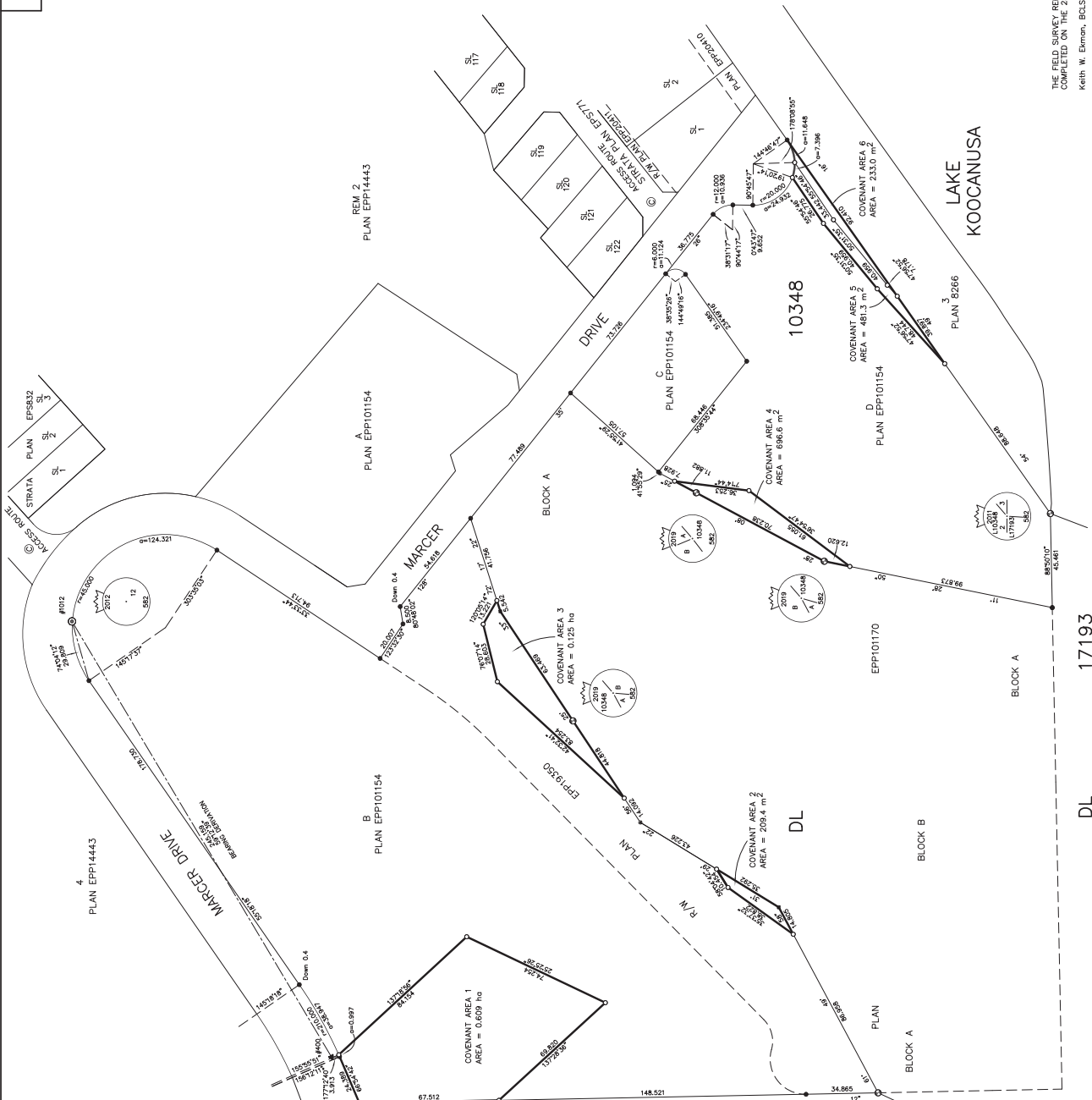


TABLE OF GNSS CONTROL STATIONS
DATUM NAD83 (CSRS 2022ED), UTM ZONE 11

GNSS CONTROL STATION	NORTHING	EASTING	SCALE FACTOR	ABSOLUTE ACCURACY
102	5448650.83	627570.51	0.999843	0.05
405	5448625.38	627759.99	0.999860	0.05

BOOK OF REFERENCE

COVENANT AREA	DESCRIPTION	AREA
1	LOT B DISTRICT LOT 10348 PLAN EPP101154	0.609 ha
2	LOT B DISTRICT LOT 10348 PLAN EPP101154	209.4 m ²
3	LOT B DISTRICT LOT 10348 PLAN EPP101154	0.122 ha
4	LOT D DISTRICT LOT 10348 PLAN EPP101154	696.6 m ²
5	LOT D DISTRICT LOT 10348 PLAN EPP101154	481.3 m ²
6	LOT D DISTRICT LOT 10348 PLAN EPP101154	233.0 m ²

230m Fz, 220m Mz, 6.3m Mean, 45.0m
230m Fz, 220m Mz, 6.3m Mean, 45.0m
230m Fz, 220m Mz, 6.3m Mean, 45.0m



TERMS OF INSTRUMENT

REGIONAL DISTRICT OF EAST KOOTENAY

RESTRICTIVE COVENANT WHERE USE OF LAND DOES NOT REQUIRE POTABLE
WATER AND A SEWAGE DISPOSAL SYSTEM

THIS RESTRICTIVE COVENANT dated the ___ day of _____, 2021 pursuant to the provisions of Section 219 of the *Land Title Act*.

BETWEEN:

KV PROPERTIES INC. (Inc. No. BC1169034)
1873, 1361 7th Avenue
Ferne, BC V0B 1M0

(the "**Covenantor**")

OF THE FIRST PART

AND:

REGIONAL DISTRICT OF EAST KOOTENAY,
a Regional District incorporated under the laws
of British Columbia, having an office at 19 - 24th Avenue South,
Cranbrook, BC V1C 3H8

(the "**Covenantee**")

OF THE SECOND PART

WHEREAS the Covenantor is the registered owner and wishes to subdivide Lot B, District Lot 10348 Kootenay District Plan EPP101154 ("**Lot B**") located in the East Kootenay Assessment Area, in the Province of British Columbia;

WHEREAS upon the completion of the subdivision of Lot B, the Covenantor will be the registered owner in fee simple of all the singular those certain parcels of land, more particularly known and described as:

All 21 1/21st undivided interests in Lot 22 as Lot 22 is shown on EPP109367

(hereinafter called the "**Land**")

AND WHEREAS the Covenantor proposes to use the Land for a "common lot road" pursuant to Land Title Act Regulations 334/79 in order to provide legal access to Lots 1 – 21 in Plan EPP109367 (the "**Common Lot Road**"), a use not requiring water or a sewage disposal system;

AND WHEREAS the Approving Officer, pursuant to the provisions of Section 219 of the *Land Title Act* and section 4.02 of Regional District of East Kootenay Subdivision Servicing Bylaw No. 1954, 2008, has required that this Covenant be entered into as a condition of Approval to the subdivision of the Land:

THEREFORE in consideration of \$1.00 (receipt and sufficiency of which is acknowledged), the Covenantor agrees and covenants with the covenantee as follows:

1. Hereafter, the use of the Land is restricted to a Common Lot Road which does not require the Land to be serviced by Potable Water or a sewage disposal system.
2. Without limiting Section 1, the Land must not be used for any residential, commercial or industrial purpose.
3. No transfer of title is permitted until proof of Potable Water as required by section 10.01 of the Regional District of East Kootenay – Subdivision Servicing Bylaw No. 1954, 2008 is submitted.
4. The Covenantor will, for itself, its heirs, executors, successors and assigns, at all times perform and observe the restrictions hereinbefore set out.
5. The restrictions and covenants herein contained are covenants running with the Land and are perpetual and will be registered in the Land Title Office in Kamloops, British Columbia pursuant to Section 219 of the *Land Title Act* as covenants in favour of the Covenantee.

IN WITNESS WHEREOF the parties acknowledge that this Agreement has been duly executed and delivered by the parties executing Item 8 of Form C attached to and forming part of this Agreement.

CONSENT AND PRIORITY AGREEMENT

WHEREAS KOOCANUSA VILLAGE COMMUNITY ASSOCIATION (Inc. No.S0060030) (the "**Chargeholder**") is the holder of a Rent Charge (the "**Charge**") encumbering the lands (the "**Lands**") described in item 2 of the *Land Title Act* Form C attached hereto, which was registered in the Nelson Land Title Office under instrument number CA2651891.

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Section 219 Covenant attached hereto (the "**Covenant**") and the Chargeholder hereby agrees that the Covenant will be binding upon its interest in and to the lands; and
2. grants to the transferee described in item 6 of the *Land Title Act* Form C attached hereto priority for the Covenant over the Chargeholder's right, title and interest in and to the Lands, and the Chargeholder does hereby postpone the Charge and all of its right, title and interest thereunder to the Covenant as if the Covenant had been executed, delivered and registered prior to the execution, delivery and registration of the Charge.

IN WITNESS WHEREOF the Chargeholder has duly executed this Consent and Priority Agreement by executing the *Land Title Act* Form C above which is attached hereto and forms part of this Agreement.

CONSENT AND PRIORITY AGREEMENT

WHEREAS 1213904 B.C. LTD. (Inc. No. BC1213904) (the "**Chargeholder**") is the holder of a Mortgage and Assignment of Rents (collectively called the "**Charges**") encumbering the lands (the "**Lands**") described in item 2 of the *Land Title Act* Form C attached hereto, which were registered in the Nelson Land Title Office under instrument numbers CA7663643 and CA7663644 respectively.

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Section 219 Covenant attached hereto (the "**Covenante**") and the Chargeholder hereby agrees that the Covenant will be binding upon its interest in and to the Lands; and
2. grants to the transferee described in item 6 of the *Land Title Act* Form C attached hereto priority for the Covenant over the Chargeholder's right, title and interest in and to the Lands, and the Chargeholder does hereby postpone the Charges and all of its right, title and interest thereunder to the Covenant as if the Covenant had been executed, delivered and registered prior to the execution, delivery and registration of the Charges.

IN WITNESS WHEREOF the Chargeholder has executed and delivered this Consent and Priority Agreement by executing the *Land Title Act* Form C above which is attached hereto and forms part of this Agreement.



TERMS OF INSTRUMENT – PART 2

NO BUILD COVENANT

THIS AGREEMENT dated for reference _____, 2021.

BETWEEN:

KV PROPERTIES INC. (Inc. No. BC1169034)

1873, 1361 7th Avenue
Fernie, BC V0B 1M0

(referred to as the “**Owner**”, and such term will apply to the owner or owners of the Lots (as defined below) from time to time)

AND:

REGIONAL DISTRICT OF EAST KOOTENAY,

19 - 24th Avenue South, Cranbrook, BC V1C 3H8

(the “**RDEK**”)

GIVEN THAT:

- A. The Owner is the registered owner in fee simple of the land in the Regional District of East Kootenay, British Columbia, legally described as:

All 21 1/21st undivided interests in Lot 22 as Lot 22 is shown on EPP109367

(“**Lot 22**”)

- B. Lot 22 is a “common lot road” for the purposes of the Land Title Act Regulations 334/79 and is required in order to provide legal access to Lots 1 – 21 within Plan EPP109367 (collectively, the “**Lots**”).
- C. The Owner has asked the RDEK to accept the covenant created by this Agreement so that Lot 22 not be built upon or used except in accordance with this Agreement.
- D. The Owner has agreed to enter into this Agreement and to register it against Lot 22 as a covenant and indemnity under s. 219 of the *Land Title Act*.

THIS AGREEMENT is evidence that in consideration of one dollar (the receipt of which is acknowledged), the Owner covenants and agrees with the RDEK as follows:

1. The Owner covenants and agrees with the RDEK as follows:

(a) Lot 22 will be used for the purposes of providing ingress and egress over Lot 22;

- (b) construction or placement of any building or structure on Lot 22 is prohibited except for the installation and servicing of utilities (collectively, the “**Utilities**”) such as (i) cablevision, electricity, internet, telecommunications and all related fittings, nodes, equipment and related works and (ii) water, sanitary sewer, storm water, lines, pipes, and all related metres, cabinets and related works in connection with the servicing of the Lots or servicing of lands other than Lot 22; and
 - (c) for the purposes set out above, the Owner (and the Owner’s agents, contractors, or invitees) will have access to Lot 22 at all times with or without machinery and equipment.
- 2. Notwithstanding the prohibitions set out in section 1, the RDEK covenants and agrees with the Owner that all improvements, roads, curbs, sidewalks, signs, and Utilities constructed on, over, or under Lot 22 as of the date of this Agreement are permitted to remain on Lot 22 (collectively, the “**Existing Improvements**”) and that any repair, maintenance, or replacement of the Existing Improvements reasonably required by the Owner (or the Owner’s agents, contractors, or invitees) in order to keep such improvements in a good state of repair or replacement is also permitted with or without machinery.
- 4. Any opinion, decision, act or expression of satisfaction provided for in this Agreement is to be taken or made by the RDEK Manager of Planning & Development Services or his or her delegate authorized as such in writing.
- 5. The Owner releases, and must indemnify and save harmless, the RDEK, its elected and appointed officials and employees, from and against all liability, actions, causes of action, claims, damages, expenses, costs, debts, demands or losses suffered or incurred by the Owner, or anyone else, arising from the granting or existence of this Agreement, from the performance by the Owner of this Agreement, or any default of the Owner under or in respect of this Agreement.
- 6. The parties agree that this Agreement creates only contractual obligations and obligations arising out of the nature of this document as a covenant under seal. The parties agree that no tort obligations or liabilities of any kind exist between the parties in connection with the performance of, or any default under or in respect of, this Agreement. The intent of this section is to exclude tort liability of any kind and to limit the parties to their rights and remedies under the law of contract and under the law pertaining to covenants under seal.
- 7. The rights given to the RDEK by this Agreement are permissive only and nothing in this Agreement imposes any legal duty of any kind on the RDEK to anyone, or obliges the RDEK to enforce this Agreement, to perform any act or to incur any expense in respect of this Agreement.
- 8. Where the RDEK is required or permitted by this Agreement to form an opinion, exercise a discretion, express satisfaction, make a determination or give its consent, the Owner agrees that the RDEK is under no public law duty of fairness or natural justice in that regard and agrees that the RDEK may do any of those things in the same manner as if it were a private party and not a public body.

9. Every obligation and covenant of the Owner in this Agreement constitutes both a contractual obligation and a covenant granted under s. 219 of the *Land Title Act* in respect of Lot 22 and this Agreement burdens Lot 22 and runs with it and binds the successors in title to Lot 22. This Agreement burdens and charges all of Lot 22 and any parcel into which it is subdivided by any means and any parcel into which Lot 22 is consolidated. The Owner is only liable for breaches of this Agreement that occur while the Owner is the registered owner of the Lot 22.
10. The Owner agrees to do everything reasonably necessary, at the Owner's expense, to ensure that this Agreement is registered against title to Lot 22 with priority over all financial charges, liens and encumbrances registered, or the registration of which is pending, at the time of application for registration of this Agreement.
11. An alleged waiver of any breach of this Agreement is effective only if it is an express waiver in writing of the breach in respect of which the waiver is asserted. A waiver of a breach of this Agreement does not operate as a waiver of any other breach of this Agreement.
12. If any part of this Agreement is held to be invalid, illegal or unenforceable by a court having the jurisdiction to do so, that part is to be considered to have been severed from the rest of this Agreement and the rest of this Agreement remains in force unaffected by that holding or by the severance of that part.
13. This Agreement is the entire agreement between the parties regarding its subject.
14. This Agreement binds the parties to it and their respective successors, heirs, executors and administrators.
15. The Owner must do everything reasonably necessary to give effect to the intent of this Agreement, including execution of further instruments.
16. By executing and delivering this Agreement each of the parties intends to create both a contract and a deed executed and delivered under seal.

IN WITNESS WHEREOF the parties acknowledge that this Agreement has been duly executed and delivered by the parties executing Part 1 of Form C attached to and forming part of this Agreement.

CONSENT AND PRIORITY AGREEMENT

WHEREAS KOOCANUSA VILLAGE COMMUNITY ASSOCIATION (Inc. No.S0060030) (herein called the "**Chargeholder**") is the holder of a Rent Charge registered in the Nelson Land Title Office on July 11, 2012 under instrument number CA2651891 (herein called the "**Charge**"), encumbering the lands described in the attached Covenant (the "**Covenant** ").

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Covenant and the Chargeholder hereby agrees that the Covenant will be binding upon its interest in and to the lands described in the Covenant; and
2. grants to the Transferee priority for the Charge over the Chargeholder's right, title and interest in and to the lands described in the Covenant, and the Chargeholder does hereby postpone the Charge and all of its right, title and interest thereunder to the Covenant as if the Covenant had been executed, delivered and registered prior to the execution, delivery and registration of the Charge.

IN WITNESS WHEREOF the Chargeholder has duly executed this Consent and Priority Agreement by signing on the Form C above on the date set out therein.

CONSENT AND PRIORITY AGREEMENT

WHEREAS 1213904 B.C. LTD. (Inc. No. BC1213904) (herein called the "**Chargeholder**") is the holder of a Mortgage and Assignment of Rents registered in the Nelson Land Title Office under instrument numbers CA7663643 and CA7663644 respectively (herein collectively called the "**Charge**"), encumbering the lands described in the attached Covenant (the "**Covenant**").

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Covenant and the Chargeholder hereby agrees that the Covenant will be binding upon its interest in and to the lands described in the Covenant; and
2. grants to the Transferee priority for the Charge over the Chargeholder's right, title and interest in and to the lands described in the Covenant, and the Chargeholder does hereby postpone the Charge and all of its right, title and interest thereunder to the Covenant as if the Covenant had been executed, delivered and registered prior to the execution, delivery and registration of the Charge.

IN WITNESS WHEREOF the Chargeholder has duly executed this Consent and Priority Agreement by signing on the Form C above on the date set out therein.



TERMS OF INSTRUMENT - PART 2

**IRRIGATION COVENANT
(SECTION 219 LAND TITLE ACT)**

BETWEEN:

KV PROPERTIES INC.
(Inc. No. BC1169034)
1873, 1361 7th Avenue
Ferne, BC V0B 1M0

(the “**Transferor**”)

AND:

0938534 B.C. LTD. (Inc. No. BC0938534)
11 Alpine Trail Lane
Ferne, BC V0B 1M5

(the “**Transferee**”)

WHEREAS:

- A. The Transferor is the registered owner in fee simple of 21 lots (hereinafter called the “**Lots**” or individually the “**Lot**”) situate at Lake Koocanusa, in the Province of British Columbia, and legally identified in item 2 of Part 1 hereof.
- B. The Transferee has been issued a Certificate of Public Convenience and Necessity (“**CPCN**”) to provide potable water to the Lots.
- C. As a condition of issuance of the CPCN, the Transferee is required to obtain the within irrigation restriction covenant from the Transferor in priority to any financial charges pursuant to Section 219 of the *Land Title Act*, Chapter 250, R.S.B.C. 1996.
- D. The Transferee has been designated by the Minister under section 219(3)(c) of the *Land Title Act*, Chapter 250, R.S.B.C. 1996.

NOW THEREFORE THIS COVENANT WITNESSETH that pursuant to Section 219 of the *Land Title Act* and in consideration of the sum of One Dollar (\$1.00) now paid by the Transferee to the Transferor (the receipt and sufficiency of which is acknowledged), the parties hereby covenant and agree with each other as follows:

- 1. The Transferor agrees with the Transferee as a covenant in favour of the Transferee granted pursuant to Section 219 of the *Land Title Act* that no more than 325 Imperial Gallons may be used per Lot per day for irrigation by water supplied by the Transferee.

2. Subject to the provisions of Section 219 of the *Land Title Act*, the covenants contained in paragraph 1 of this agreement shall burden and run with the Lots and shall enure to the benefit and be binding upon (as the case may be) the Transferor and the Transferee and their respective heirs, executors, administrators, successors and assigns.
3. Nothing in this agreement shall prejudice or affect the rights, powers and remedies of the Transferee in relation to the Transferor or the Lots under any law, bylaw, order or regulation or in equity all of which rights, powers and remedies may be fully and effectively exercised by the Transferee as if this agreement had not been made by the parties.
4. None of the covenants contained herein will be personal or binding on the Transferor except during its ownership of a Lot.
5. The Transferor, at its expense, shall do, or cause to be done all:
 - (a) acts reasonably necessary for the Transferee to gain priority for this agreement over all liens, charges and encumbrances which are or may be registered against the Lots save and except those in favour of the Transferee and those specifically approved in writing by the Transferee; and
 - (b) things and execute or cause to be executed all documents and give such further and other assurance which may be reasonably necessary to give proper effect to the intent of this agreement.
6. Whenever the singular or masculine or neuter is used herein, the same shall be construed as including the plural, feminine, body corporate or politic unless the context requires otherwise.
7. If any section or any part of this agreement is found to be illegal or unenforceable, then such sections or parts shall be considered to be separate and severable from this agreement and the remaining sections or parts of this agreement, as the case may be, shall be unaffected thereby and shall remain and be enforceable to the fullest extent permitted by law as though the illegal or unenforceable parts or sections had never been included in this agreement.
8. When there is reference to an enactment of the Province of British Columbia in this agreement, that reference shall include a reference to any subsequent enactment of the Province of British Columbia of like effect, and unless the context otherwise requires, all statutes referred to herein are enactments of the Province of British Columbia.
9. **Counterpart.**
 - (a) This Covenant may be signed by original or facsimile and executed and delivered in any number of counterparts, each of which will constitute an original and all of them taken together will constitute one Covenant.
 - (b) Delivery of a counterpart to a party will be effective if made to that party or to its counsel.

IN WITNESS WHEREOF the parties hereto acknowledge that this Covenant has been duly executed and delivered by the parties executing Form C and D (pages 1, 2 and 3) attached hereto.

CONSENT AND PRIORITY AGREEMENT

WHEREAS KOOCANUSA VILLAGE COMMUNITY ASSOCIATION (Inc. No.S0060030) (the "**Chargeholder**") is the holder of a Rent Charge (the "**Charge**") encumbering the lands (the "**Lands**") described in item 2 of the *Land Title Act* Form C attached hereto, which was registered in the Nelson Land Title Office under instrument number CA2651891.

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Section 219 Covenant attached hereto (the "**Covenant**") and the Chargeholder hereby agrees that the Covenant will be binding upon its interest in and to the lands; and
2. grants to the transferee described in item 6 of the *Land Title Act* Form C attached hereto priority for the Covenant over the Chargeholder's right, title and interest in and to the Lands, and the Chargeholder does hereby postpone the Charge and all of its right, title and interest thereunder to the Covenant as if the Covenant had been executed, delivered and registered prior to the execution, delivery and registration of the Charge.

IN WITNESS WHEREOF the Chargeholder has duly executed this Consent and Priority Agreement by executing the *Land Title Act* Form C above which is attached hereto and forms part of this Agreement.

CONSENT AND PRIORITY AGREEMENT

WHEREAS 1213904 B.C. LTD. (Inc. No. BC1213904) (the "**Chargeholder**") is the holder of a Mortgage and Assignment of Rents (collectively called the "**Charges**") encumbering the lands (the "**Lands**") described in item 2 of the *Land Title Act* Form C attached hereto, which were registered in the Nelson Land Title Office under instrument numbers CA7663643 and CA7663644 respectively.

THEREFORE THIS CONSENT AND PRIORITY AGREEMENT WITNESSETH THAT in consideration of the sum of ONE DOLLAR (\$1.00) of lawful money of Canada and other good and valuable consideration paid by the Transferee described in item 6 of Part 1 of the Form C to the Chargeholder, receipt and sufficiency whereof are hereby acknowledged, the Chargeholder hereby:

1. consents to the granting and registration of the Section 219 Covenant attached hereto (the "**Covenante**") and the Chargeholder hereby agrees that the Covenant will be binding upon its interest in and to the Lands; and
2. grants to the transferee described in item 6 of the *Land Title Act* Form C attached hereto priority for the Covenant over the Chargeholder's right, title and interest in and to the Lands, and the Chargeholder does hereby postpone the Charges and all of its right, title and interest thereunder to the Covenant as if the Covenant had been executed, delivered and registered prior to the execution, delivery and registration of the Charges.

IN WITNESS WHEREOF the Chargeholder has executed and delivered this Consent and Priority Agreement by executing the *Land Title Act* Form C above which is attached hereto and forms part of this Agreement.





Quality Assurance Report
for Structural Fill
Programme and Remedial
Slope Works

Koocanusa Village Marina
Estates Lots #17-20

February 8, 2021

Submitted to: Koocanusa Village Properties
C/O: Reto Barrington

Prepared by McElhanney Ltd.

Contact

Ryan Gibbard, P.Eng
Project Manager
778-550-2002

rgibbard@mcelhanney.com

Address

1800 Willowbrook Drive
Cranbrook, BC, V1C 7H9

Our file: 2441-00797-01

1. INTRODUCTION

Further to instruction from the Kootanusa Village Properties Inc. (the client), McElhanney Ltd. has undertaken this quality assurance review and summary memo of structural pad backfill materials and compaction for the above-mentioned project. The construction period for the work was between December 1 and December 15, 2020 with the completion of the structural fill requirements for lots #17 to 20 and the remediation of the Covenant Class B lands to our satisfaction rendering them suitable for development.

This letter report presents the results of our involvement in the recent earthworks programme, and should be read in conjunction with our Initial Geotechnical Assessment Report (Ref. H) dated October 23, 2018.

2. REVIEWED INFORMATION AND DOCUMENTATION

The following materials have been referred to and referenced during the course of our work:

- A. Legal Survey Plan – Lot B District Lot 10348 Kootenay District Plan EPP101154;
- B. Legal Covenant Plan EPP101155;
- C. Gradation Reports – conducted by Artech Consulting Ltd. (December 2020);
- D. Field Density Reports – conducted by Artech Consulting Ltd. (December 2020);
- E. Moisture-Density Reports – conducted by Artech Consulting Ltd. (December 2020);
- F. Marina Estates Subdivision Civil Design IFC drawing set – McElhanney (2020);
- G. Field Inspection Reports – conducted by McElhanney (December 2020);
- H. Initial Geotechnical Assessment Report – prepared by McElhanney (October 2018).

3. PROJECT HISTORY AND SITE DESCRIPTION

Kootanusa Village is located on the West shore of Lake Kootanusa and is approximately 23km South of Jaffray, BC. The Marina Estates development location is District Lot 10348 on the Western side of the Village on a moderate slope, between Marcer Road above, and the Marina area below.

The site is mild to moderately sloping from the west to east towards the historical Kootenay River floodplain below (present day Lake Kootanusa). The existing level lower terrace development area is situated directly below on the historical floodplain and contains residences and a marina.

This 2020 project was undertaken to rework the grade of Lot B and to confirm suitable bearing surfaces for future residential development. Previous geotechnical investigation by McElhanney highlighted areas that were suitable for construction and an area of concern. The area of concern were a "Sand Pit" and a "Fill Zone". The "Sand Pit" feature consisted of a previously excavated bank of clean, coarse, uniformly graded sand that contained little to no fines or gravel, and the "Fill Zone" feature was an area of previously placed debris. This area was categorized as Class B Lands, which requires that further study and remedial works be completed to render them suitable for development. A Geotechnical Covenant was placed over the Class B Lands, which is delineated by the yellow highlighted area in Figure 1 below. This Covenant stretches from lots #17 to 20 and extends upslope to the northwest property lines. Work that was completed

EXHIBIT U

included grading the road subgrade, sloping of the lots to the specified grades, removal of deleterious debris from the depression above Lots #18-19 and rebuilding structural fill in the sand extraction area.

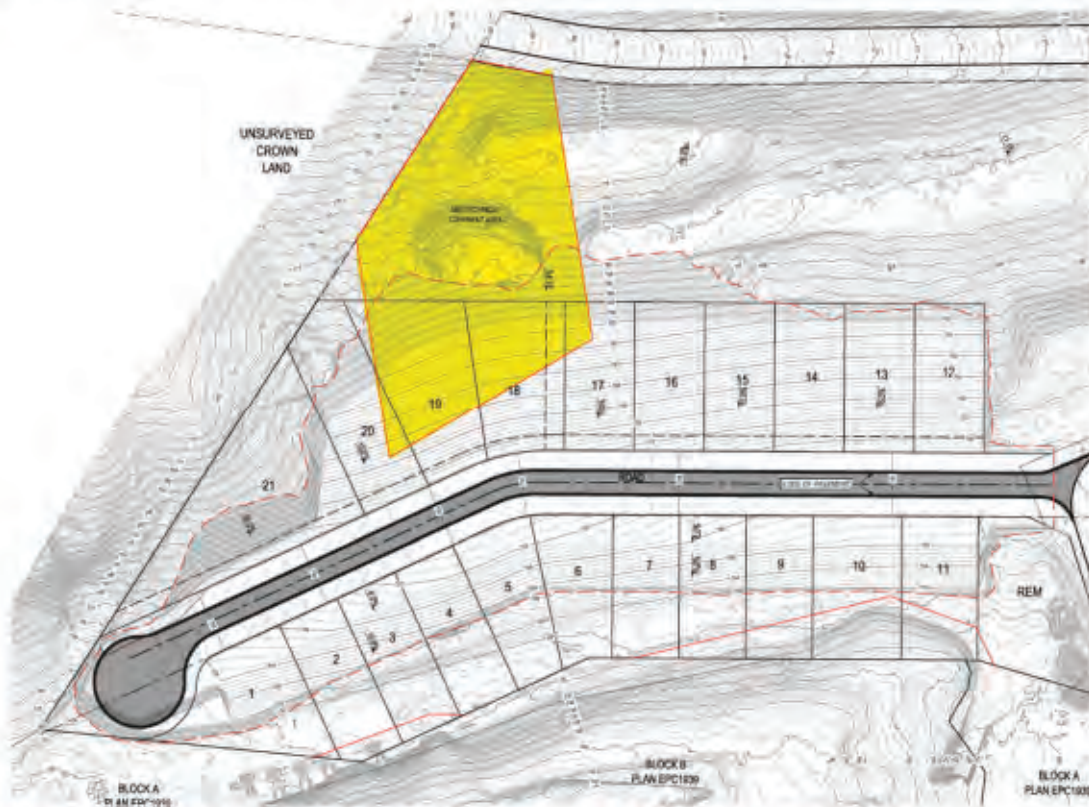


Figure 1 Overall Grading Plan (Ref. F) – Highlighted area denotes Geotechnical Covenant area.

4. SUMMARY OF COMPLETED WORKS

In November of 2020, MCL Group (MCL or the Contractor) of Sparwood, BC was hired by KV Properties as the general contractor on the job and completed the earthworks in accordance with the project drawings (see Appendix C) and specifications. Construction activity began November 29, 2020 by MCL, and they mobilized an excavator, two rock trucks, two bulldozers, a sheepsfoot single drum vibratory roller and a water truck to the site to complete the work. The contractor began work in the Geotechnical Covenant area by removing the clean sand soil found in this area. This soil was trucked away and stockpiled on another location on the property. Then under the direction of McElhanney's Geotechnical Engineer Melissa Chappel P.Eng. (GE), MCL cleaned out the areas within the Geotechnical Covenant zone on and above lots 17-20 by removing deleterious soil and debris.

Placement and compaction work on the structural fill began on December 1. These works were monitored and inspected by Marcus Brown, Tech of McElhanney (Inspector). The GE observed proofrolling the subgrade, and indicated the wetter, soft areas that the inspector would review again before backfilling. The subgrade was not flat, it sloped down to the east, and was dry to moist sand. The initial lift of ~300mm was placed using the excavated gravelly sand from lots #12-18, although this material had below optimum moisture and the specified compaction could not be reached. The Contractor attempted to moisture

EXHIBIT U

condition the lift but the pump on their water truck broke down during filling of the tank, so the Contractor then sourced a new water truck which arrived the following morning.

An initial roll pattern of two double passes of the sheepsfoot roller followed by a loaded rock truck using overlapping wheel paths was used. Field Density Testing (FDT) was performed by Artech Consulting of Cranbrook, BC (Tester) which confirmed the sub-optimal moisture content and compaction. Further compaction was performed on this lift and additional testing showed consistent but sub-optimal compaction. In the absence of a water truck to increase the moisture content of the lift, backfill activities were suspended for the remainder of the day.

The following day the first lift was scarified, moisture conditioned and recompacted. FDT testing performed by the Tester showed consistent results, but below the required specification of 100% SPMD; it was suspected by the Inspector that the Proctor value was not representative of field conditions. The Inspector also visually inspected the lift during compaction and no rutting or deflection was observed across the surface. With the consistent FDT results and the proof roll confirming the dense nature of the lift, the Inspector passed this lift. A new composite sample was then collected by the Tester to perform a second Proctor test.

The second lift of ~300mm was placed, moisture conditioned and compacted. Again, the FDT performed by the Tester showed consistent but low results and plateaued at 96% SPMD based on the results of the second Proctor. A proof roll performed by the Inspector confirmed the compaction of the lift because no rutting or deflection were observed. With consistent results from the FDT and a satisfactory proof roll the Inspector passed the second lift. The third lift of approximately 300mm of loose soil was placed and used to protect the lower lifts from freezing overnight.

On the following day, the third lift was scarified to remove any frozen soil, moisture conditioned and compacted using the sheepsfoot roller and two fully loaded rock trucks using parallel and overlapping tire tracks. With two samples taken for Proctor testing not aligning with FDT results in the field, the Inspector worked with the Tester to perform a Control Strip so that a more accurate optimum density number could be achieved. A Control Strip value and rolling pattern was established and used for reference going forward. FDT results from previous days met or exceeded the Control Strip value. Contractor then placed a loose fourth lift of ~300mm loose soil over the remainder of the surface to protect from freezing overnight.

On December 5, MCL repeated the same procedure as the previous morning to prepare and compact the fourth lift. Compaction was verified by the Tester. The Contractor then placed the fifth lift of ~300mm thick and used it to protect the fourth lift from freezing. No work occurred on December 6. On December 7, the fifth lift of ~300mm loose soil was scarified, moisture conditioned and compacted, and compaction was visually confirmed by the Inspector by a Proof Roll. The sixth lift of ~300mm thick was then placed, moisture conditioned and compacted, and the Tester confirmed the compaction as being sufficient.

The contractor then began to excavate the clean sand from the Geotechnical Covenant area and established safe slopes as directed by verbal conversations between the Inspector and Ryan Gibbard, P.Eng. Excavated material was stockpiled with the other deleterious soils beside the marina. Excavation and trucking of this sand occurred until December 10 when the Contractor finished excavating the sand



EXHIBIT U

from the Geotechnical Covenant and safe slopes had been constructed. The Contractor was also shaping the slopes during this time outside the Geotechnical Covenant as per the IFC drawings (see Appendix D).

The contractor has placed ribbon on top of the approved structural fill surface to denote the start of the confirmed structural fill, and then placed fill above which is now denoted as frost fill. Contractor finished placement of the frost fill, shaping of the slopes for lots #12-21, and grading of the road subgrade by December 15. The Inspector completed the final inspection on this day and confirmed that 2020 works were completed.

Multiple checks and data collection were performed by McElhanney Surveyors during the course of the work to confirm grade lines, check elevations in relation to the design grade and to perform record Topographic Surveys to confirm the volume of the soil removed and replaced.

5. LABORATORY AND FIELD TESTING

The granular materials used as structural fill were sourced locally from excavated soils from lots #12-18 and were sorted under the direction of the McElhanney Inspector. Any unsuitable soil was removed from the construction area and trucked to a refuse pile off site. Field Density Testing was performed by Artech Consulting and approved by the McElhanney Inspector using proof rolls. Samples of the approved soils were taken for gradation analysis and moisture density relationship (MDR) to Artech Consulting Ltd. as seen necessary by the Inspector to confirm its suitability. See Appendix A for the relevant gradation and MDR test results.

The McElhanney Inspector was on site during all backfill operations as noted above. Additionally, Artech Consulting Ltd. performed Quality Assurance FDT during the structural backfill programme. Nuclear Densometer shots were taken on every lift until a rolling pattern had been established and multiple days of consistent readings achieved. Given the variability in the soil gradation, the testing results we used as guidance to the field verification completed by the inspector at the time of placement. Any deficiencies found were highlighted to the contractor who then took the required steps to ensure the suitability of the compacted soil. The McElhanney Inspector was on site for all backfill placement and compactive efforts and visually inspected and confirmed all work. A copy of the Daily Inspection Reports can be found in Appendix B.

We confirm that adequate testing, proofrolling and control strip verification was performed to ensure satisfactory compaction effort and results for the structural fills. We further find the compaction levels acceptable for all structural fill placed on lots #17 to 20. See Appendix A for FDT results.

6. ASSURANCE

Covenant Area – Class B Lands – Lots 17-20 (and above)

Following our review of the cleanup of the "Sand Pit" and "Fill Zone" features previously defined in our October 2018 Report as Class B lands, we confirm that this area was appropriately exhumed and debris removed to our satisfaction as noted above. We further recommend that the Geotechnical Covenant over this land be removed as it is no longer applicable, and the lots are suitable for development as noted here and below.



EXHIBIT U

Building Within Lots 17-20

With the completion of the structural fill program for Lots #17 to 20, we confirm a suitable bearing surface for a single-family house on each lot based on our site-specific observations and analysis. See the attached drawings that shows the proposed lots, along with point elevations to provide guidance as to the location and elevation of the approved surface.

With our previous geotechnical assessment and the work involved in this project, it is the opinion of the undersigned that the quality of the newly placed structural fill in Lots #17 to 20 is suitable for placement of residential buildings, provided the recommendations below are followed. With the stripping of the original surface and loose sand and replacing it with structural fill, it is expected that there will be minimal and tolerable movement within this zone. It is anticipated that there will be less than the 25mm of allowable settlement as required by the current applicable building code.

We further state that, provided the following recommendations are followed, the building sites on Lots #17-20 are considered safe for the intended use.

7. RECOMMENDATIONS FOR BUILDING FOUNDATIONS

For the purposes of foundation design for proposed residences, the following recommendations should be followed. A site-specific geotechnical engineers' site bearing review and report shall be completed for each of lots 17-20 at the time of construction to confirm location of the proposed structure positioned on and within the structural building fill zone, along with verification of site-specific subgrade bearing soils for foundations, and any other geotechnical items deemed relevant by the qualified Geotechnical engineer.

It is our recommendation that proposed buildings will have shallow foundations with conventional strip and spread footings placed over the compacted structural fill layer bearing soil to distribute the load. The recommended limit state bearing capacities for the soil conditions and foundation limitations are provided in Table 7-1 below.

Table 7-1: Summary of Limit State Bearing Capacities

Depth to Base of Foundation	Base Width (m)	Bearing Capacity (kPa)		Subgrade Soils	Typical Soil Parameters	
		Ultimate Limit State ¹	Serviceability Limit State ⁺		Friction Angle	Unit Weight (kN/m ³)
Min 0.5 m	Min. 0.6 Max. 1.2	150	150	Structural fill bearing pad	33°	20

⁺For settlements of less than the maximum of 25 mm.

¹ Canadian Foundation Engineering Manual, 4th Edition, 2006, Canadian Geotechnical Society, Bitech Publishing Ltd., Richmond, BC., with resistance factor applied of 0.5.

8. RECOMMENDATIONS FOR FUTURE WORK ON REMAINDER OF LOT B

We understand that further site grading works are planned for the spring on the upper portion of Lot B. For the "Sand Pit" feature situated above the lots, it is recommended that these slopes be trimmed back to a suitable long term stable angle of repose under the guidance of a Geotechnical Engineer prior to any future phased residential development.



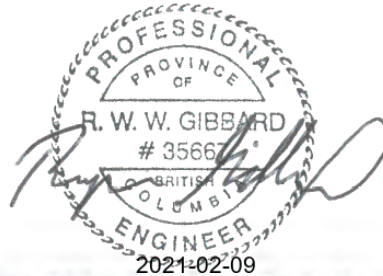
9. CLOSURE

We trust that this information is sufficient for your present needs. Should you have any questions or require additional information, please do not hesitate to contact the undersigned.

Sincerely,
McElhanney Ltd.



Marcus Brown, Civil Engineering Technologist
mbrown@mcelhanney.com | 778-550-2014



Ryan Gibbard, P. Eng., Geotechnical Engineer
rgibbard@mcelhanney.com | 778-550-2002

Reviewed by:



Melissa Chappel, P.Eng., Geotechnical Engineer
mchappel@mcelhanney.com | 778-550-2003

ATTACHMENTS:

- Statement of Limitations
- Appendix A – Artech Gradation, Proctor and Field Density Reports
- Appendix B – McElhanney Daily Inspection Reports
- Appendix C – McElhanney Geotechnical Site Plan
- Appendix D – McElhanney Construction Drawings

STATEMENT OF LIMITATIONS

EXHIBIT U

Statement of Limitations – Geotechnical Services

Use of this Report. This report was prepared by McElhanney Ltd. ("McElhanney") for the particular site, design objective, development and purpose (the "Project") described in this report and for the exclusive use of the client identified in this report (the "Client"). The data, interpretations, and recommendations pertain to the Project and are not applicable to any other project or site location, and this report may not be reproduced, used or relied upon, in whole or in part, by a party other than the Client, without the prior written consent of McElhanney. The Client may provide copies of this report to its affiliates, contractors, subcontractors and regulatory authorities for use in relation to and in connection with the Project provided that any reliance, unauthorized use, and/or decisions made based on the information contained within this report are at the sole risk of such parties. McElhanney will not be responsible for the use of this report on projects other than the Project, where this report or the contents hereof have been modified without McElhanney's consent, to the extent that the content is in the nature of an opinion, and if the report is preliminary or draft. This is a technical report and is not a legal representation or interpretation of laws, rules, regulations, or policies of governmental agencies. The professional services retained for this Project include only the geotechnical aspects of the subsurface conditions at the site, unless otherwise specifically stated and identified in this report. In particular, environmental conditions such as surface and subsurface contamination are outside the scope of this report.

Standard of Care and Disclaimer of Warranties. This study and report have been prepared in accordance with generally accepted engineering and scientific judgments, principles and practices. McElhanney expressly disclaims any and all warranties in connection with this report including, without limitation, any warranty that this report and the associated site review work has uncovered all potential geotechnical liabilities associated with the subject property.

Effect of Changes. All evaluations and conclusions stated in this report are based on facts, observations, site-specific details, legislation and regulations as they existed at the time of the site assessment. Some conditions are subject to change over time, and the Client recognizes that the passage of time, natural occurrences, and direct or indirect human intervention at or near the site may substantially alter such evaluations and conclusions. Construction activities can significantly alter soil, rock and other geologic conditions on the site. McElhanney should be requested to re-evaluate the conclusions of this report and to provide amendments as required prior to any reliance upon the information presented herein upon any of the following events: a) any changes (or possible changes) as to the site, purpose, or development plans upon which this report was based, b) any changes to applicable laws subsequent to the issuance of the report, c) new information is discovered in the future during site excavations, construction, building demolition or other activities, or d) additional subsurface assessments or testing conducted by others.

Subsurface Risks. Soil, rock and groundwater data were collected in general accordance with the standards and methods described in the document. The classification and identification of soils, rocks, and geologic formations was based on commonly accepted methods employed in the practice of geotechnical engineering and related disciplines. Interpretations of groundwater levels and flow direction are based on water level observations at selected test hole locations and are expected to fluctuate. Observations at test holes indicate the approximate subsurface conditions at those locations only. Subsurface conditions between test holes were based, by necessity, on judgement and assumptions of what exists between the actual locations sampled and may vary significantly from actual site conditions and all persons making use of this report should be aware of and accept this risk. Even a comprehensive sampling and testing program, implemented in accordance with appropriate equipment by experienced personnel, may fail to detect all or certain conditions.

Information from Client and Third Parties. McElhanney has relied in good faith on information provided by the Client and third parties noted in this report and has assumed such information to be accurate, complete, reliable, non-fringing, and fit for the intended purpose without independent verification. McElhanney accepts no responsibility for any deficiency, misstatements or inaccuracy contained in this report as a result of omissions or errors in information provided by third parties or for omissions, misstatements or fraudulent acts of persons interviewed.

Underground Utilities and Damages. In the performance of the services, McElhanney has taken reasonable precautions to avoid damage or injury to subterranean structures or utilities. Subsurface sampling may result in unavoidable contamination of certain subsurface areas not known to be previously contaminated such as, but not limited to, a geologic formation, the groundwater or other hydrous body. McElhanney will adhere to an appropriate standard of care during the conduct of any subsurface sampling.

Independent Judgments. McElhanney will not be responsible for the independent conclusions, interpretations, interpolations and/or decisions of the Client, or others, who may come into possession of this report, or any part thereof. This restriction of liability includes decisions made to purchase, finance or sell land or with respect to public offerings for the sale of securities.

Construction. The subsurface information contained in this report were obtained for the owner's information and design. The extent and detail of assessments necessary to determine all relevant conditions that may affect construction costs would normally be greater than the assessments carried out for this report. Accordingly, a contingency fund to allow for the possibility of variations of subsurface conditions should be included in the construction budget to cover costs associated with modifications of the design and construction procedures resulting from conditions that vary from the assumptions in this report. If during construction, subsurface conditions are found to be other than those described in this report, McElhanney is to be notified and may alter or modify the geotechnical report recommendations. If McElhanney is not retained to provide services during construction, then McElhanney is not responsible for confirming or recording that subsurface conditions do not materially differ from those interpreted conditions contained in this report or for confirming or recording that construction activities have not adversely affected subsurface conditions, or the recommendations contained in this report.

APPENDIX A – ARTECH GRADATION, PROCTOR AND FIELD DENSITY REPORTS



PARTICLE SIZE ANALYSIS

Project No: 20.0113.AR
Project: Marina Estates
Client: KV Properties

Lab ID: S20611

Client Project: -

Attn: Reto Barrington
CC: -

Date Received: December 1, 2020

Sample Description: Sandy GRAVEL, trace silt/clay

Sample Date: December 1, 2020

Sample ID: S20-01

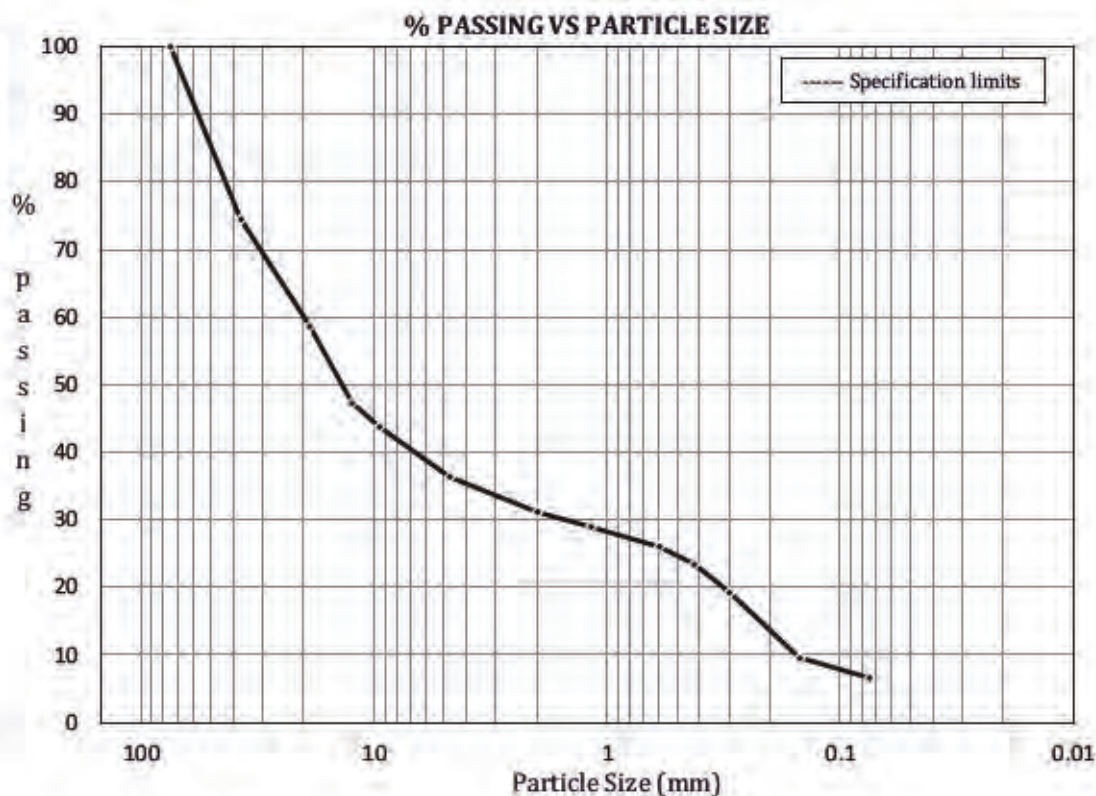
Sample Time: -

Sample Source: Site stockpile

Sampled By: McElhanney - MB

Specification: NA

Sieve Analysis		
Sieve Size (mm)	% Passing	Specification limits
100.0		
75.0	100.0	
37.5	74.5	
19.0	58.7	
12.5	47.3	
9.5	43.7	
4.75	36.3	
2.00	31.1	
1.18	28.9	
0.600	26.0	
0.425	23.4	
0.300	19.2	
0.150	9.5	
0.075	6.6	



Summary

Cobble : >75mm 0.0 %
Gravel : < 75mm and > 4.75mm 63.7 %
Sand : < 4.75mm and > 0.075mm 29.7 %
Silt/Clay : < 0.075mm 6.6 %

Moisture Content: 1.4 %

Comments:

Tested in accordance with ASTM C136 Sieve Analysis of Fine and Coarse Aggregates /C117 Materials Finer than 75-µm (No. 200) Sieve in Mineral Aggregates by Washing

Report Date: December 3, 2020

Reviewed By:
Bryan Morrison, BSc.



PARTICLE SIZE ANALYSIS

Project No: 20.0113.AR
Project: Marina Estates
Client: KV Properties

Lab ID: S20622

Client Project: -

Attn: Reto Barrington
CC: -

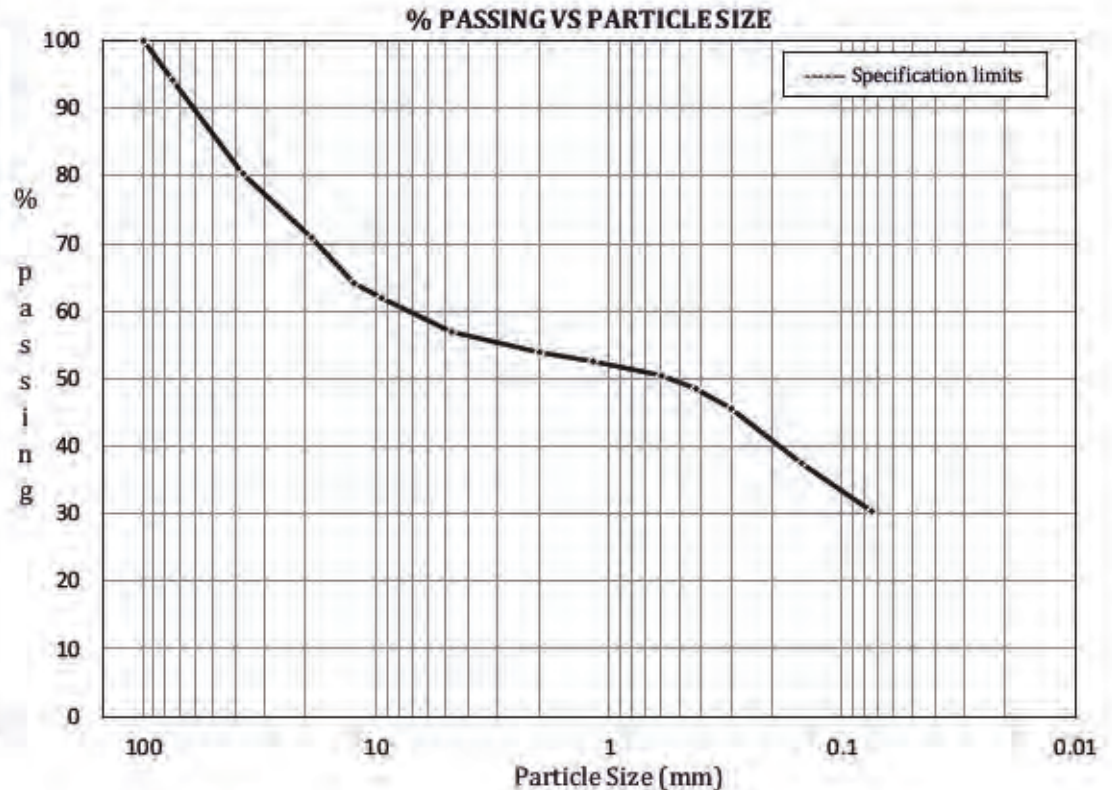
Date Received: December 3, 2020

Sample Description: Sandy, silty/clayey GRAVEL, trace cobble
Sample ID: S20-02
Sample Source: Site excavated

Sample Date: December 3, 2020
Sample Time: -
Sampled By: MR

Specification: NA

Sieve Analysis		
Sieve Size (mm)	% Passing	Specification limits
100.0	100.0	
75.0	94.1	
37.5	80.3	
19.0	70.8	
12.5	64.1	
9.5	61.9	
4.75	56.9	
2.00	53.9	
1.18	52.5	
0.600	50.4	
0.425	48.5	
0.300	45.5	
0.150	37.5	
0.075	30.4	



Summary

Cobble : >75mm 5.9 %
Gravel : < 75mm and > 4.75mm 37.2 %
Sand : < 4.75mm and > 0.075mm 26.5 %
Silt/Clay : < 0.075mm 30.4 %

Moisture Content: 4.1 %

Comments:

Tested in accordance with ASTM C136 Sieve Analysis of Fine and Coarse Aggregates /C117 Materials Finer than 75-µm (No. 200) Sieve in Mineral Aggregates by Washing

Report Date: December 7, 2020

Reviewed By:
Bryan Morrison, BSc.



PARTICLE SIZE ANALYSIS

Project No: 20.0113.AR
Project: Marina Estates
Client: KV Properties

Lab ID: S20629

Client Project: -

Attn: Reto Barrington
CC: -

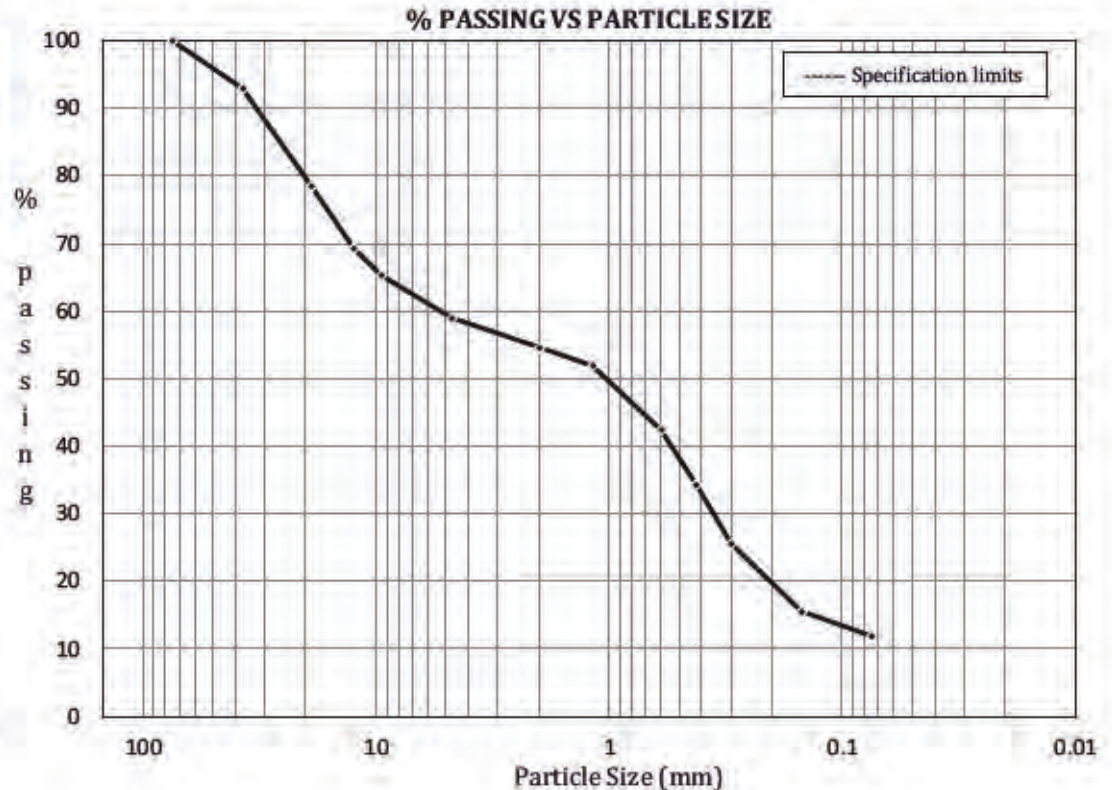
Date Received: December 8, 2020

Sample Description: GRAVEL and SAND, some silt/clay
Sample ID: S20-03
Sample Source: Composite of site stockpile

Sample Date: December 8, 2020
Sample Time: -
Sampled By: McElhanney - MB

Specification: NA

Sieve Analysis		
Sieve Size (mm)	% Passing	Specification limits
100.0		
75.0	100.0	
37.5	92.9	
19.0	78.4	
12.5	69.2	
9.5	65.3	
4.75	58.9	
2.00	54.6	
1.18	51.9	
0.600	42.4	
0.425	34.3	
0.300	25.5	
0.150	15.5	
0.075	11.9	



Summary

Cobble : >75mm 0.0 %
Gravel : < 75mm and > 4.75mm 41.1 %
Sand : < 4.75mm and > 0.075mm 47.0 %
Silt/Clay : < 0.075mm 11.9 %

Moisture Content: 3.3 %

Comments:

Tested in accordance with ASTM C136 Sieve Analysis of Fine and Coarse Aggregates /C117 Materials Finer than 75-µm (No. 200) Sieve in Mineral Aggregates by Washing

Report Date: December 9, 2020

Reviewed By:
Bryan Morrison, BSc.

STANDARD PROCTOR REPORT (Moisture-Density Relationship)

Project No: 20.0113.AR
Project: Marina Estates
Client: KV Properties

Lab ID: S20611

Client Project: -

Attn: Reto Barrington
CC: -

Date Received: December 1, 2020

Sample Description: Sandy GRAVEL, trace silt/clay
Sample ID: S20-01
Sample Source: Site stockpile

Sample Date: December 1, 2020
Sample Time: -
Sampled By: McElhanney - MB

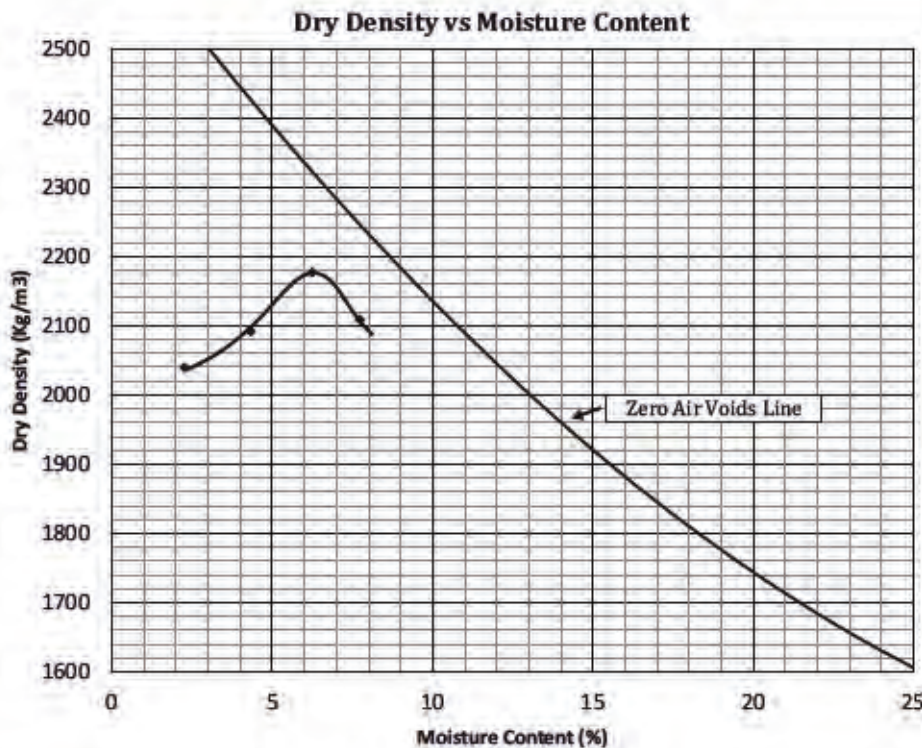
Test Date: December 2, 2020
Method used: Method C (< 30% retained on 19mm)
Mold: 152.4mm
Hammer type: Manual

Tested By: TS
Oversize rock density (kg/m³): 2709
% oversize rock in sample: 41%
Oversize rock retained on sieve: 19mm

Test sample values*: **Maximum Dry Density (kg/m³):** 2176
(Uncorrected)

Optimum moisture (%): 6.2
(Uncorrected)

* Due to the variable nature of soil and aggregate composition, Proctor values should be considered sample specific and are subject to field interpretation and correction, as applicable, to address actual site conditions.



Test Data

Trial No.	Wet Density (kg/m³)	Dry Density (kg/m³)	Moisture Content (%)
1	2085	2039	2.3
2	2182	2092	4.3
3	2312	2176	6.2
4	2271	2109	7.7

Field oversize correction values: (where applicable)

% Oversize	Corrected Dry Density (kg/m³)	Adjusted Moisture (%)
5	2198	6.0
10	2220	5.8
15	2243	5.6
20	2266	5.4
25	2289	5.2
30	2313	5.0

Comments:

Tested in accordance with ASTM D698/D1557 and D4718 (Standard/Modified Proctor with rock correction).

Report Date: December 3, 2020

Reviewed by:


Bryan Morrison, BSc.

STANDARD PROCTOR REPORT (Moisture-Density Relationship)

Project No: 20.0113.AR
Project: Marina Estates
Client: KV Properties

Lab ID: S20612

Client Project: -

Attn: Reto Barrington
CC: -

Date Received: December 3, 2020

Sample Description: Sandy, silty/clayey GRAVEL, trace cobble
Sample ID: S20-02
Sample Source: Site stockpile

Sample Date: December 3, 2020
Sample Time: -
Sampled By: MR

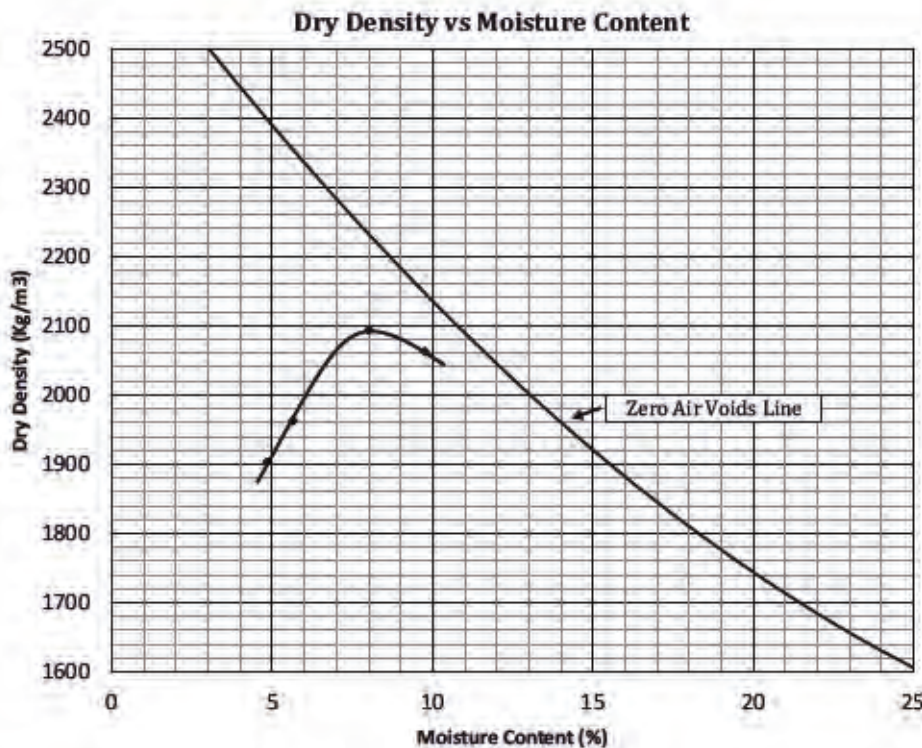
Test Date: December 4, 2020
Method used: Method C (< 30% retained on 19mm)
Mold: 152.4mm
Hammer type: Manual

Tested By: BM
Oversize rock density (kg/m³): 2659
% oversize rock in sample: 29%
Oversize rock retained on sieve: 19mm

Test sample values*: **Maximum Dry Density (kg/m³):** 2093
(Uncorrected)

Optimum moisture (%): 8.0
(Uncorrected)

* Due to the variable nature of soil and aggregate composition, Proctor values should be considered sample specific and are subject to field interpretation and correction, as applicable, to address actual site conditions.



Test Data

Trial No.	Wet Density (kg/m³)	Dry Density (kg/m³)	Moisture Content (%)
1	1995	1903	4.8
2	2073	1963	5.6
3	2261	2093	8.0
4	2264	2063	9.7

Field oversize correction values: (where applicable)

% Oversize	Corrected Dry Density (kg/m³)	Adjusted Moisture (%)
5	2116	7.7
10	2139	7.4
15	2162	7.1
20	2186	6.8
25	2211	6.5
30	2236	6.2

Comments:

Tested in accordance with ASTM D698/D1557 and D4718 (Standard/Modified Proctor with rock correction).

Report Date: December 7, 2020

Reviewed by:


Bryan Morrison, BSc.

STANDARD PROCTOR REPORT (Moisture-Density Relationship)

Project No: 20.0113.AR
Project: Marina Estates
Client: KV Properties

Lab ID: S20629

Client Project: -

Attn: Reto Barrington
CC: -

Date Received: December 8, 2020

Sample Description: GRAVEL and SAND, some silt/clay
Sample ID: S20-03
Sample Source: Composite of site stockpile

Sample Date: December 8, 2020
Sample Time: -
Sampled By: McElhanney - MB

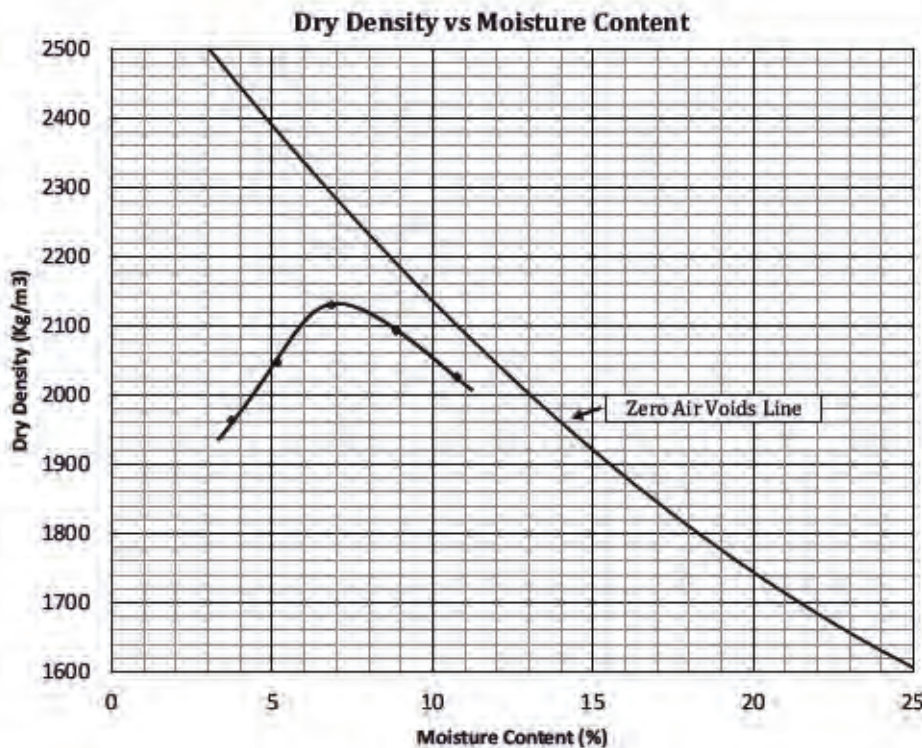
Test Date: December 8, 2020
Method used: Method C (< 30% retained on 19mm)
Mold: 152.4mm
Hammer type: Manual

Tested By: MR
Oversize rock density (kg/m³): 2666
% oversize rock in sample: 22%
Oversize rock retained on sieve: 19mm

Test sample values*: **Maximum Dry Density (kg/m³):** **2129**
(Uncorrected)

Optimum moisture (%): **6.8**
(Uncorrected)

* Due to the variable nature of soil and aggregate composition, Proctor values should be considered sample specific and are subject to field interpretation and correction, as applicable, to address actual site conditions.



Test Data

Trial No.	Wet Density (kg/m³)	Dry Density (kg/m³)	Moisture Content (%)
1	2036	1963	3.7
2	2152	2047	5.1
3	2275	2129	6.8
4	2278	2092	8.9
5	2243	2026	10.7

Field oversize correction values: (where applicable)

% Oversize	Corrected Dry Density (kg/m³)	Adjusted Moisture (%)
5	2151	6.6
10	2173	6.4
15	2196	6.1
20	2219	5.9
25	2242	5.6
30	2266	5.4

Comments:

Tested in accordance with ASTM D698/D1557 and D4718 (Standard/Modified Proctor with rock correction).

Report Date: December 9, 2020

Reviewed by:


Bryan Morrison, BSc.

FIELD DENSITY REPORT

Project No: 20.0113.AR
Project: Marina Estates
Contractor: KV Properties

Date: December 3, 2020

Time: 10:00

Tested by: MR
Gauge Serial No: 39055

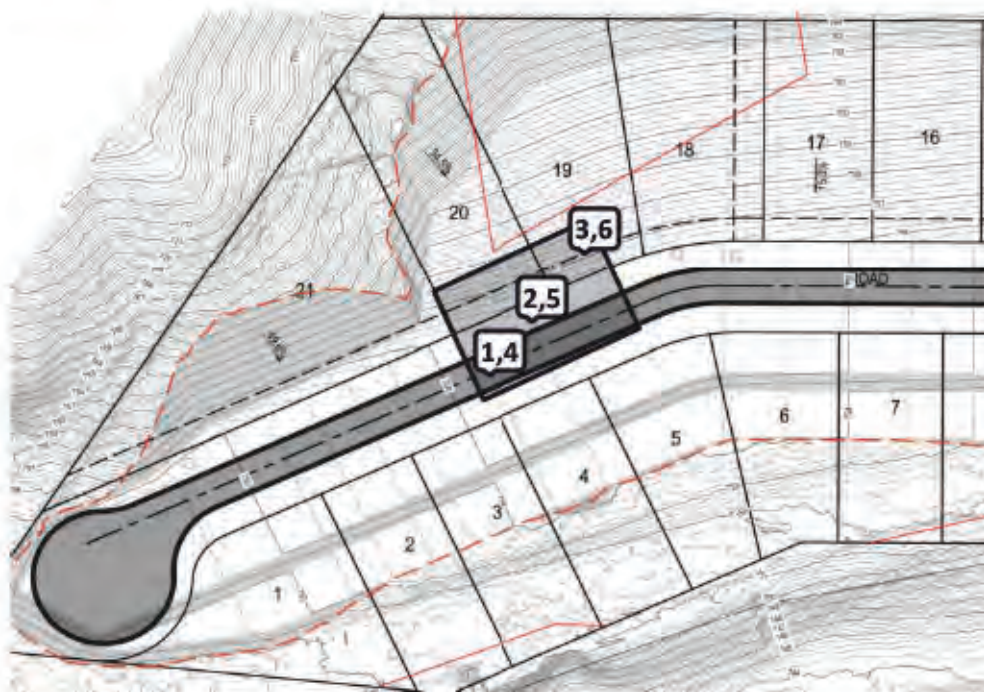
Attn: Reto Barrington
CC: -

Specification: 98% SPD

Area tested: Road / property backfill

Soil/Aggregate Description		Lab ID	Uncorrected Lab Proctor Value (kg/m ³ @ % moist.)		Oversize (O/S) rock in lab sample	
A	S20-02 (Sandy, silty/clayey GRAVEL, trace cobble)	S20622	2093 @ 8.0		29%	
B	-	-	-		-	
C	-	-	-		-	
D	-	-	-		-	

Test No.	Test Location Description	Probe Depth (mm)	Fill Type	Proctor Value (kg/m ³)	O/S corr. (%)	Dry Density (kg/m ³)	Moisture (%)	Compaction (%)
1	Site fill - 1st lift	150	A	2236	30	2236	5.9	100
2	Site fill - 1st lift	150	A	2236	30	2283	5.8	102
3	Site fill - 1st lift	150	A	2162	15	2146	6.7	99
4	Site fill - 2nd lift	150	A	2162	15	2112	5.5	98
5	Site fill - 2nd lift	150	A	2236	30	2188	6.7	98
6	Site fill - 2nd lift	150	A	2236	30	2187	6.7	98



All tests completed in accordance with ASTM D6938-15 (nuclear densometer), with field corrections as noted.

Report Date: December 8, 2020
Report #: 001

Reviewed By:


Bryan Morrison, BSc.

FIELD DENSITY REPORT

Project No: 20.0113.AR
Project: Marina Estates
Contractor: KV Properties

Date: December 4, 2020

Time: 11:30

Tested by: MR
Gauge Serial No: 71417

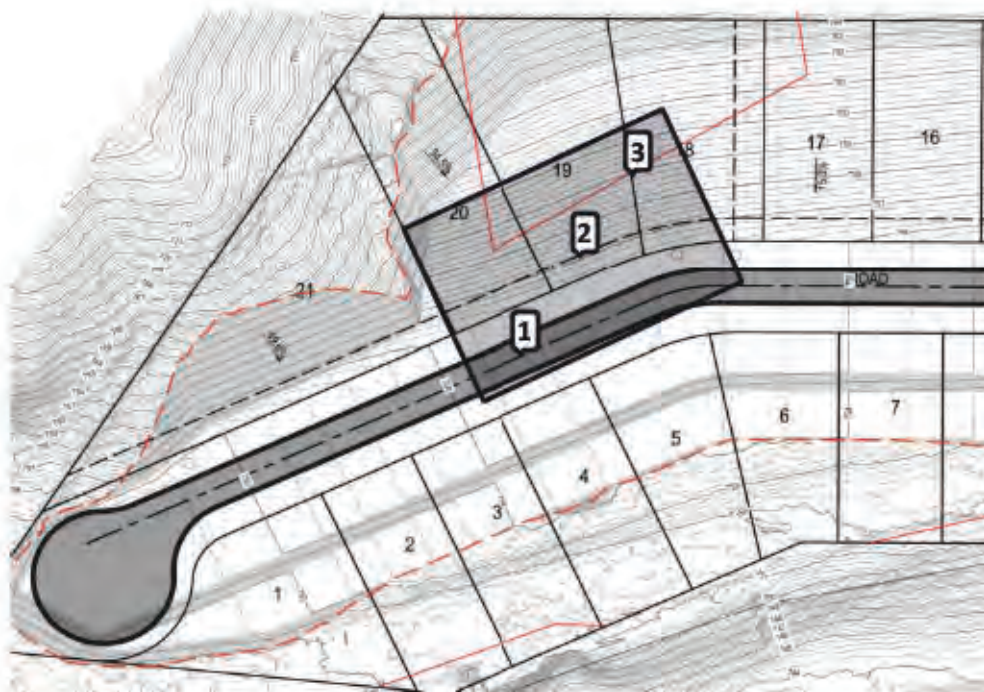
Attn: Reto Barrington
CC: -

Specification: 98% SPD

Area tested: Road / property backfill

Soil/Aggregate Description		Lab ID	Uncorrected Lab Proctor Value (kg/m ³ @ % moist.)		Oversize (O/S) rock in lab sample	
A	S20-02 (Sandy, silty/clayey GRAVEL, trace cobble)	S20622	2093 @ 8.0		29%	
B	-	-	-		-	
C	-	-	-		-	
D	-	-	-		-	

Test No.	Test Location Description	Probe Depth (mm)	Fill Type	Proctor Value (kg/m ³)	O/S corr. (%)	Dry Density (kg/m ³)	Moisture (%)	Compaction (%)
1	Site fill - 3rd lift	150	A	2186	20	2140	3.8	98
2	Site fill - 3rd lift	150	A	2186	20	2161	5.3	99
3	Site fill - 3rd lift	150	A	2139	10	2086	6.7	98



All tests completed in accordance with ASTM D6938-15 (nuclear densometer), with field corrections as noted.

Report Date: December 8, 2020
Report #: 002

Reviewed By:


Bryan Morrison, BSc.

FIELD DENSITY REPORT

Project No: 20.0113.AR
Project: Marina Estates
Contractor: KV Properties

Date: December 5, 2020

Time: 9:30

Tested by: MR
Gauge Serial No: 71417

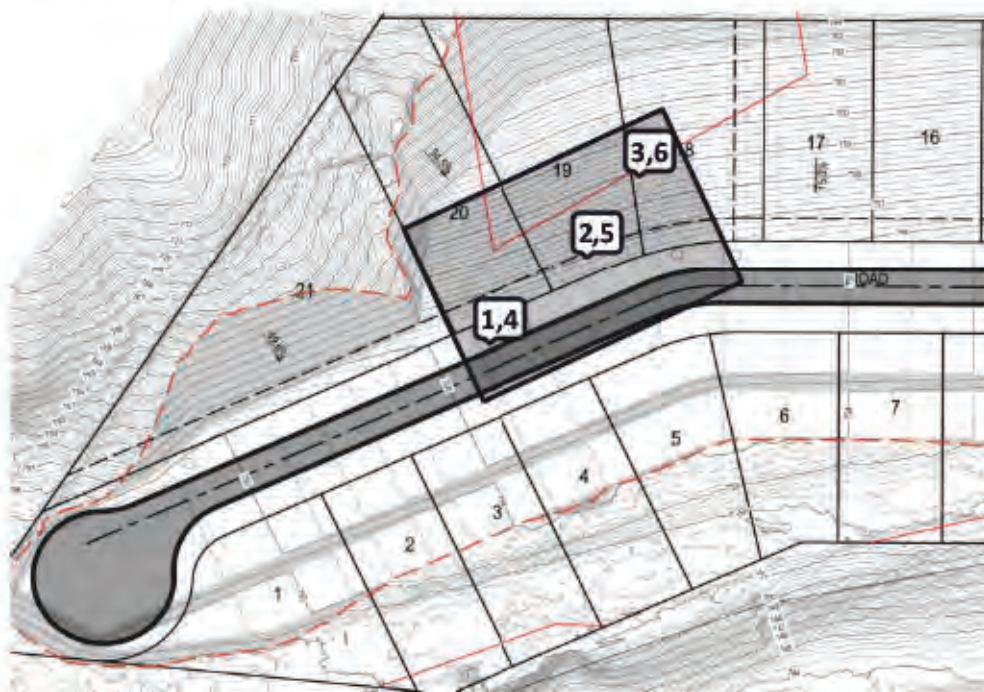
Attn: Reto Barrington
CC: -

Specification: 98% SPD

Area tested: Road / property backfill

Soil/Aggregate Description		Lab ID	Uncorrected Lab Proctor Value (kg/m ³ @ % moist.)		Oversize (O/S) rock in lab sample	
A	S20-02 (Sandy, silty/clayey GRAVEL, trace cobble)	S20622	2093 @ 8.0		29%	
B	-	-	-		-	
C	-	-	-		-	
D	-	-	-		-	

Test No.	Test Location Description	Probe Depth (mm)	Fill Type	Proctor Value (kg/m ³)	O/S corr. (%)	Dry Density (kg/m ³)	Moisture (%)	Compaction (%)
1	Site fill - 4th lift	150	A	2162	15	2119	4.4	98
2	Site fill - 4th lift	150	A	2186	20	2149	5.1	98
3	Site fill - 4th lift	150	A	2186	20	2161	5.1	99
4	Site fill - 5th lift	150	A	2186	20	2154	7.0	99
5	Site fill - 5th lift	150	A	2139	10	2105	4.9	98
6	Site fill - 5th lift	150	A	2162	15	2126	4.0	98



All tests completed in accordance with ASTM D6938-15 (nuclear densometer), with field corrections as noted.

Report Date: December 8, 2020
Report #: 003

Reviewed By:


Bryan Morrison, BSc.

FIELD DENSITY REPORT

Project No: 20.0113.AR
Project: Marina Estates
Contractor: KV Properties

Date: December 7, 2020

Time: 12:30

Tested by: MR

Gauge Serial No: 71417

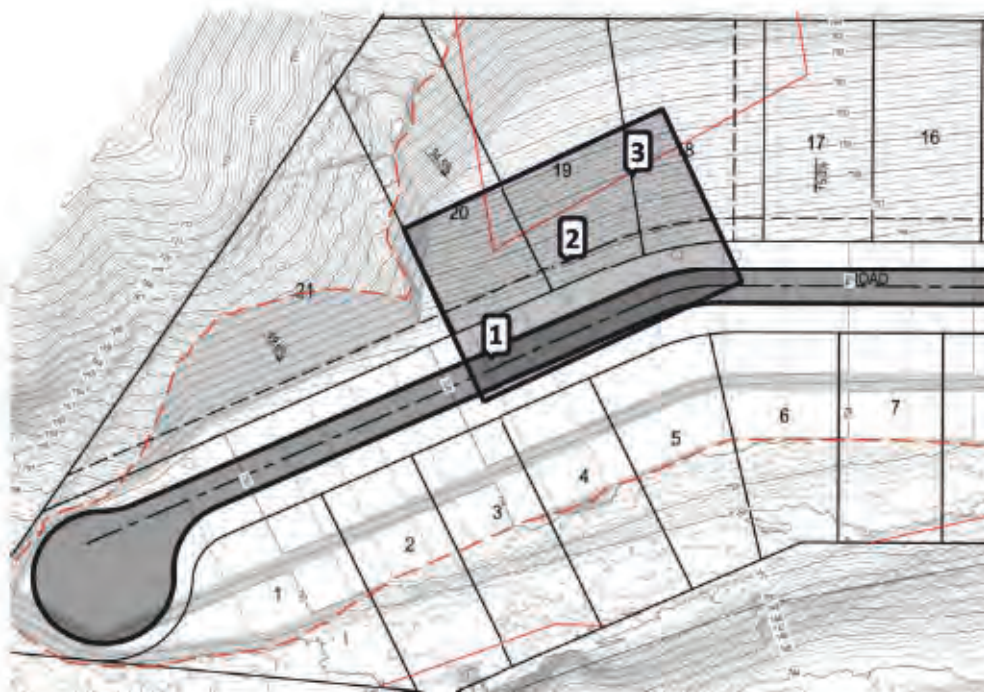
Attn: Reto Barrington
CC: -

Specification: 98% SPD

Area tested: Road / property backfill

Soil/Aggregate Description		Lab ID	Uncorrected Lab Proctor Value (kg/m ³ @ % moist.)		Oversize (O/S) rock in lab sample	
A	S20-02 (Sandy, silty/clayey GRAVEL, trace cobble)	S20622	2093 @ 8.0		29%	
B	-	-	-		-	
C	-	-	-		-	
D	-	-	-		-	

Test No.	Test Location Description	Probe Depth (mm)	Fill Type	Proctor Value (kg/m ³)	O/S corr. (%)	Dry Density (kg/m ³)	Moisture (%)	Compaction (%)
1	Site fill - 6th lift	150	A	2236	30	2199	4.4	98
2	Site fill - 6th lift	150	A	2236	30	2194	3.2	98
3	Site fill - 6th lift	150	A	2162	15	2129	3.1	98



All tests completed in accordance with ASTM D6938-15 (nuclear densometer), with field corrections as noted.

Report Date: December 8, 2020
Report #: 004

Reviewed By:


Bryan Morrison, BSc.

APPENDIX B – MCELHANNEY DAILY INSPECTION REPORTS

EXHIBIT U**Koocanusa Village – Marina Estates Inspection**

Contract No. KV Properties	Date: December 2, 2020	
File #: 2441-00797-01	Time In: 11:00 am	Time Out: 6:00 pm
Project Engineer: Ryan Gibbard, P.Eng	Inspector: Marcus Brown	
General Contractor: MCL	Weather: Clear	
Contractors Site Supervisor: Winston Heck	Temperature: 4°C	

Location of Work: (Include Stations and Addresses)

Koocanusa Village – Marina Estates Lots # 12-20

Works Inspected: (Photo documentation of each item is required)

1) Sub-Excavation and backfill Lots #12-20

Issues and Concerns: (If issues or concerns arise owner must be notified immediately) (Including Public Relations)

- Material being excavated is of low moisture content. Water truck on site not working correctly, new water truck to be sourced so that moisture conditioning of the lifts can be performed

Observations of Inspected Works: (Document contractors construction method of inspected works)

- Excavation of the geotechnical covenant area has been completed, completion of this work was completed by Melissa Chappel, P.Eng. on December 1, 2020 during her site visit
- Ground in an unfrozen state before initial lift placed
- Lift placed and compacted; initial testing, performed by Mark from Artech, of the lift showed an average density of 92% SPMD with 2% moisture content (MC). Lift was recompacted using loaded rock trucks for an additional three double passes. Retesting of the lift after multiple tests show an average of 95% SPMD and 2% MC, lift plateauing at this moisture content.
- Moisture conditioning unavailable for the day as water truck broken down. Lift to be moisture conditioned on December 4.

Photos Taken: Yes

(Attach Photos to Document)



Inspector's Signature

EXHIBIT U



Figure 1 native ground in an unfrozen state



Figure 2 Initial lift after placement

EXHIBIT U**Koocanusa Village – Marina Estates Inspection**

Contract No. KV Properties	Date: December 3, 2020	
File #: 2441-00797-01	Time In: 9:00 am	Time Out: 5:30 pm
Project Engineer: Ryan Gibbard, P.Eng	Inspector: Marcus Brown	
General Contractor: MCL	Weather: Clear	
Contractors Site Supervisor: Winston Heck	Temperature: 2°C	

Location of Work: (Include Stations and Addresses)

Koocanusa Village – Marina Estates Lots # 12-20

Works Inspected: (Photo documentation of each item is required)

1) Excavation and backfill Lots #12-20

Issues and Concerns: (If issues or concerns arise owner must be notified immediately) (Including Public Relations)

- Proctor sample taken on December 1 does not appear to correlate with the results achieved in the field. Oversize value of 30% is higher than what is being observed in the field. Directed Mark from Artech to take a new sample for a proctor. Results from the previous two days to be compared to second proctor. Communicated that I believe that oversize to be closer to 15% and that the corrected SPMD value at this oversize should be considered correct

Observations of Inspected Works: (Document contractors construction method of inspected works)

- Initial lift scarified, moisture conditioned and compacted. Visual inspection shows no rutting or deflection. FDT value maxing out at 97% and 6% MC, it appears the proctor sample does not represent the soil used for backfill. New sample taken for proctor testing.
- As lift passes visual inspection and FDT results are consistent, new lift was approved to be placed
- Second lift placed, moisture conditioned and compacted. Passes visual inspection, no rutting or deflection observed after passes with fully loaded rock truck. FDT results consistent but not passing as compared to first proctor. FDT results average between 95-96% SPMD.
- Contractor was approved to move forward with placing of the next lift so the previously placed lift can be protected from freezing

Photos Taken: Yes
(Attach Photos to Document)



Inspector's Signature

EXHIBIT U

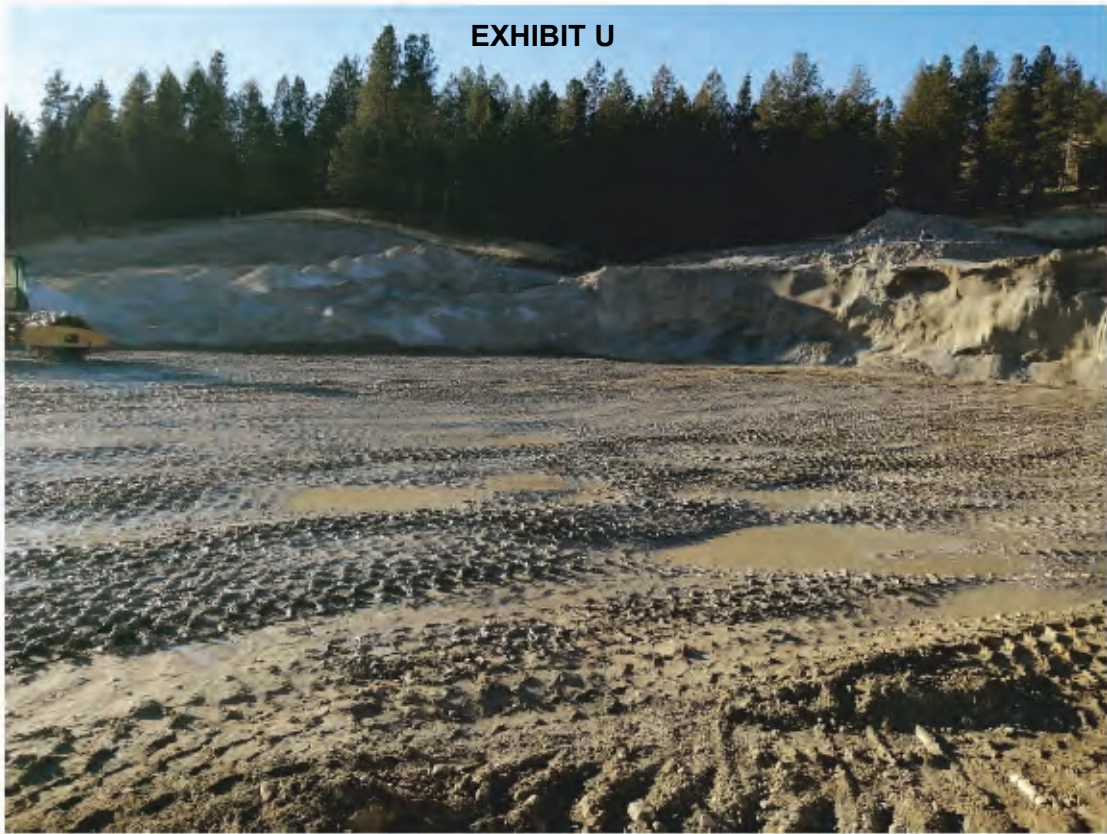


Figure 1 Second lift after moisture conditioning and compactive effort



Figure 2 Progress of excavation from Lots #12-17

EXHIBIT U**Koocanusa Village – Marina Estates Inspection**

Contract No. KV Properties	Date: December 4, 2020	
File #: 2441-00797-01	Time In: 8:00 am	Time Out: 3:30 pm
Project Engineer: Ryan Gibbard, P.Eng	Inspector: Marcus Brown	
General Contractor: MCL	Weather: Overcast	
Contractors Site Supervisor: Winston Heck	Temperature: 0°C	

Location of Work: (Include Stations and Addresses)

Koocanusa Village – Marina Estates Lots # 12-20

Works Inspected: (Photo documentation of each item is required)

1) Excavation and backfill Lots #12-20

Issues and Concerns: (If issues or concerns arise owner must be notified immediately) (Including Public Relations)

- As FDT results were not correlating with Proctor samples, a Control Strip was performed (values below) to better determine the compactive effort needed. Reminded all concerned that 100% SPMD must be achieved on all lifts.

Observations of Inspected Works: (Document contractors construction method of inspected works)

- Loose lift placed the day before scarified to remove frozen layer, moisture conditioned and compacted with sheepsfoot roller and two fully loaded rock trucks using parallel tire tracks.
- Control strip testing performed to use as a field value as proctor samples do not appear to align with FDT results. Control strip value determined to be 2016kg/m³ at 5.4% moisture. Rolling pattern of two double passes of the sheepsfoot roller and then two double passes of a fully loaded rock truck would be sufficient to reach the maximum densities possible. Previous lifts shown to pass at this value.
- Loose lift placed with moisture conditioning and compaction to occur on December 5

Photos Taken: Yes
(Attach Photos to Document)



Inspector's Signature

EXHIBIT U



Figure 1 Progress of excavation from Lots #12-17



Figure 2 Completed lift in the morning

EXHIBIT U**Koocanusa Village – Marina Estates Inspection**

Contract No. KV Properties	Date: December 4, 2020	
File #: 2441-00797-01	Time In: 8:00 am	Time Out: 3:30 pm
Project Engineer: Ryan Gibbard, P.Eng	Inspector: Marcus Brown	
General Contractor: MCL	Weather: Overcast	
Contractors Site Supervisor: Winston Heck	Temperature: 0°C	

Location of Work: (Include Stations and Addresses)

Koocanusa Village – Marina Estates Lots # 12-20

Works Inspected: (Photo documentation of each item is required)

1) Excavation and backfill Lots #12-20

Issues and Concerns: (If issues or concerns arise owner must be notified immediately) (Including Public Relations)

- As FDT results were not correlating with Proctor samples, a Control Strip was performed (values below) to better determine the compactive effort needed. Reminded all concerned that 100% SPMD must be achieved on all lifts.

Observations of Inspected Works: (Document contractors construction method of inspected works)

- Loose lift placed the day before scarified to remove frozen layer, moisture conditioned and compacted with sheepsfoot roller and two fully loaded rock trucks using parallel tire tracks.
- Control strip testing performed to use as a field value as proctor samples do not appear to align with FDT results. Control strip value determined to be 2016kg/m³ at 5.4% moisture. Rolling pattern of two double passes of the sheepsfoot roller and then two double passes of a fully loaded rock truck would be sufficient to reach the maximum densities possible. Previous lifts shown to pass at this value.
- Loose lift placed with moisture conditioning and compaction to occur on December 5

Photos Taken: Yes

(Attach Photos to Document)



Inspector's Signature

EXHIBIT U



Figure 1 Progress of excavation from Lots #12-17



Figure 2 Completed lift in the morning

EXHIBIT U**Koocanusa Village – Marina Estates Inspection**

Contract No. KV Properties	Date: December 7, 2020	
File #: 2441-00797-01	Time In: 7:30 am	Time Out: 5:15 pm
Project Engineer: Ryan Gibbard, P.Eng	Inspector: Marcus Brown	
General Contractor: MCL	Weather: Cloudy	
Contractors Site Supervisor: Winston Heck	Temperature: 2°C	

Location of Work: (Include Stations and Addresses)

Koocanusa Village – Marina Estates Lots # 12-20

Works Inspected: (Photo documentation of each item is required)

1) Excavation and backfill Lots #12-20

Issues and Concerns: (If issues or concerns arise owner must be notified immediately) (Including Public Relations)**Observations of Inspected Works:** (Document contractors construction method of inspected works)

- Lift placed on December 4 was moisture conditioned and compacted on December 5, FDT testing by Artech confirm compaction.
- Frozen lift broken up and recompact prior to new lift placed, compaction visually confirmed
- New lift placed, moisture conditioned and compacted. Compaction confirmed by Artech.
- Clean sand material at back of upslope lots is being trucked away. Excavation of this material expected to take up to two works days. Slopes are being constructed to a safe slope.

Photos Taken: Yes
(Attach Photos to Document)


Inspector's Signature

EXHIBIT U

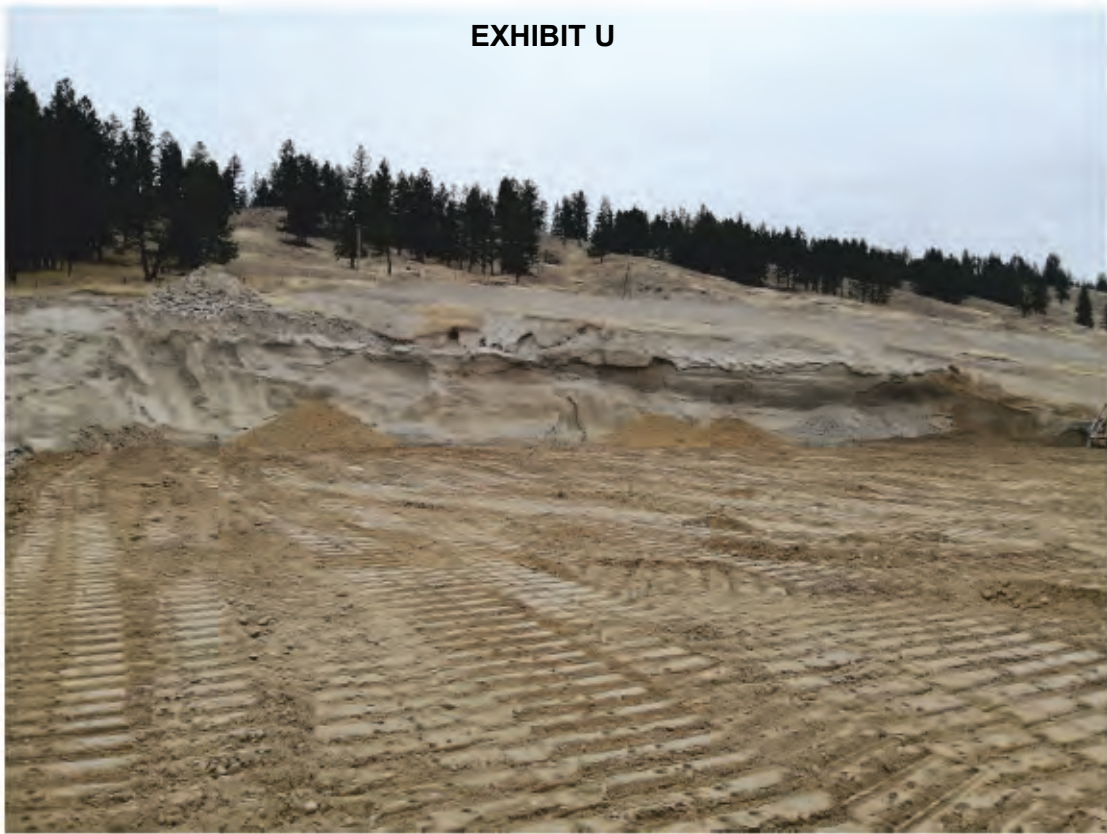


Figure 1 Progress of placed lift



Figure 2 Progress of placed lift

EXHIBIT U

Koocanusa Village – Marina Estates Inspection

Contract No. KV Properties	Date: December 8, 2020	
File #: 2441-00797-01	Time In: 8:00 am	Time Out: 2:00 pm
Project Engineer: Ryan Gibbard, P.Eng	Inspector: Marcus Brown	
General Contractor: MCL	Weather: Cloudy	
Contractors Site Supervisor: Winston Heck	Temperature: 5°C	

Location of Work: (Include Stations and Addresses)

Koocanusa Village – Marina Estates Lots # 12-20

Works Inspected: (Photo documentation of each item is required)

1) Excavation and backfill Lots #12-20

Issues and Concerns: (If issues or concerns arise owner must be notified immediately) (Including Public Relations)

Observations of Inspected Works: (Document contractors construction method of inspected works)

- No placement activities today
- Excavation and removal of clean sand material in the geotechnical covenant area continued all day, Safes slopes being constructed.

Photos Taken: Yes
(Attach Photos to Document)



Inspector's Signature

EXHIBIT U



Figure 1 Progress of excavation and slope construction



Figure 2 Progress of excavation and slope construction

EXHIBIT U

Koocanusa Village – Marina Estates Inspection

Contract No. KV Properties	Date: December 9, 2020	
File #: 2441-00797-01	Time In: -am	Time Out: - pm
Project Engineer: Ryan Gibbard, P.Eng	Inspector: Marcus Brown	
General Contractor: MCL	Weather: Rain	
Contractors Site Supervisor: Winston Heck	Temperature: 3°C	

Location of Work: (Include Stations and Addresses)

Koocanusa Village – Marina Estates Lots # 12-20

Works Inspected: (Photo documentation of each item is required)

1) Excavation and backfill Lots #12-20

Issues and Concerns: (If issues or concerns arise owner must be notified immediately) (Including Public Relations)**Observations of Inspected Works:** (Document contractors construction method of inspected works)

- No placement or excavation activities today. Contractor Site supervisor called off work due to rain and personal issue.

Photos Taken: No

(Attach Photos to Document)



Inspector's Signature

EXHIBIT U

Koocanusa Village – Marina Estates Inspection

Contract No. KV Properties	Date: December 10, 2020	
File #: 2441-00797-01	Time In: 10:00am	Time Out: 5:00pm
Project Engineer: Ryan Gibbard, P.Eng	Inspector: Marcus Brown	
General Contractor: MCL	Weather: Overcast	
Contractors Site Supervisor: Winston Heck	Temperature: 0°C	

Location of Work: (Include Stations and Addresses)

Koocanusa Village – Marina Estates Lots # 12-20

Works Inspected: (Photo documentation of each item is required)

1) Excavation and backfill Lots #12-20

Issues and Concerns: (If issues or concerns arise owner must be notified immediately) (Including Public Relations)**Observations of Inspected Works:** (Document contractors construction method of inspected works)

- Excavation of clean sand in geotechnical covenant area and slopes have been constructed in a safe manner
- Ribbon placed down to denote beginning of construction fill
- Frost fill placed over structural fill
- Contractor spent rest of the day shaping the slopes and removing cobble waste material from geotechnical covenant area.

Photos Taken: Yes

(Attach Photos to Document)



 Inspector's Signature

EXHIBIT U



Figure 1 Finished slope and beginning of new lift



Figure 2 Slope shaping example

EXHIBIT U**Koocanusa Village – Marina Estates Inspection**

Contract No. KV Properties	Date: December 11, 2020	
File #: 2441-00797-01	Time In: 9:30am	Time Out: 1:00pm
Project Engineer: Ryan Gibbard, P.Eng	Inspector: Marcus Brown	
General Contractor: MCL	Weather: Overcast	
Contractors Site Supervisor: Winston Heck	Temperature: -3°C	

Location of Work: (Include Stations and Addresses)

Koocanusa Village – Marina Estates Lots # 12-20

Works Inspected: (Photo documentation of each item is required)

1) Excavation and backfill Lots #12-20

Issues and Concerns: (If issues or concerns arise owner must be notified immediately) (Including Public Relations)**Observations of Inspected Works:** (Document contractors construction method of inspected works)

- Frost fill continued to be placed
- Shaping of the hillside continues, contractor expects to be done this work by Wednesday December 16
- Structural fill has been completed
- In conversation with the contractor, they plan to finish the shaping of the hillside and call that complete work for 2020. Structural fill for the lots below the road will be constructed in Spring 2021.

Photos Taken: Yes
(Attach Photos to Document)



Inspector's Signature

EXHIBIT U



Figure 1 Frost fill progress



Figure 2 Slope shaping example

EXHIBIT U**Koocanusa Village – Marina Estates Inspection**

Contract No. KV Properties	Date: December 15, 2020	
File #: 2441-00797-01	Time In: 10:30am	Time Out: 12:30pm
Project Engineer: Ryan Gibbard, P.Eng	Inspector: Marcus Brown	
General Contractor: MCL	Weather: Light snow	
Contractors Site Supervisor: Winston Heck	Temperature: 0°C	

Location of Work: (Include Stations and Addresses)

Koocanusa Village – Marina Estates Lots # 12-20

Works Inspected: (Photo documentation of each item is required)

1) Excavation and backfill Lots #12-20

Issues and Concerns: (If issues or concerns arise owner must be notified immediately) (Including Public Relations)**Observations of Inspected Works:** (Document contractors construction method of inspected works)

- All frost fill has been placed over the structural fill on site
- The shaping of the slopes for lots #12-21 has been completed
- Contractor has graded the road subgrade surface; survey has not confirmed the surface yet
- Soils downslope of the road have not been compacted
- All work for 2020 is completed, work to continue in April 2021

Photos Taken: Yes
(Attach Photos to Document)



Inspector's Signature

EXHIBIT U



Figure 1 Grading example, downslope of road



Figure 2 Grading example, upslope of road

APPENDIX C – GEOTECHNICAL SITE PLAN

MARCE ROAD

EXHIBIT U

PROPOSED LOT B

GEOTECHNICAL
COVENANT AREA

AREA CLEANED AND STRIPPED
FUTURE GRADING TO OCCUR

AREA STRIPPED, GRADED
AND REMEDIATED

FILL ZONE
STRIPPED, GRADED, AND REMEDIATED

SAND PIT FEATURE

SAND AREA

CONTOURS DERIVED FROM McElHANNEY 2019 DRONE SURVEY AND
McElHANNEY DESIGN DRAWINGS DATED 2021-02-02

0 1:500 25

LEGEND

- 34.33% SLOPE MARKER
- COVENANT AREA
- SAND PIT
- FILL ZONE
- SANDY AREA



McElhanney

1801 Midland Drive
Chilliwack BC
Canada V1C 3H9
Tel 250-480-3913

KV PROPERTIES INC.

MARINA ESTATES SUBDIVISION
GEOTECHNICAL SITE PLAN

Drawing No.

B-001

Project Number
2441-00797-01

Rev.
D

APPENDIX D – MCELHANNEY CONSTRUCTION DRAWINGS

KV PROPERTIES INC.

RETO BARRINGTON

KOOCANUSA VILLAGE
MARINA ESTATES SUBDIVISION

2441-00797-01

ISSUED FOR CLIENT REVIEW



Ministry of
Transportation
and Infrastructure



McElhanney

1800 Willowbrook Drive
Cranbrook BC
Canada V1C 7H9
Tel 250 489 3013

[illegible]

EXHIBIT U

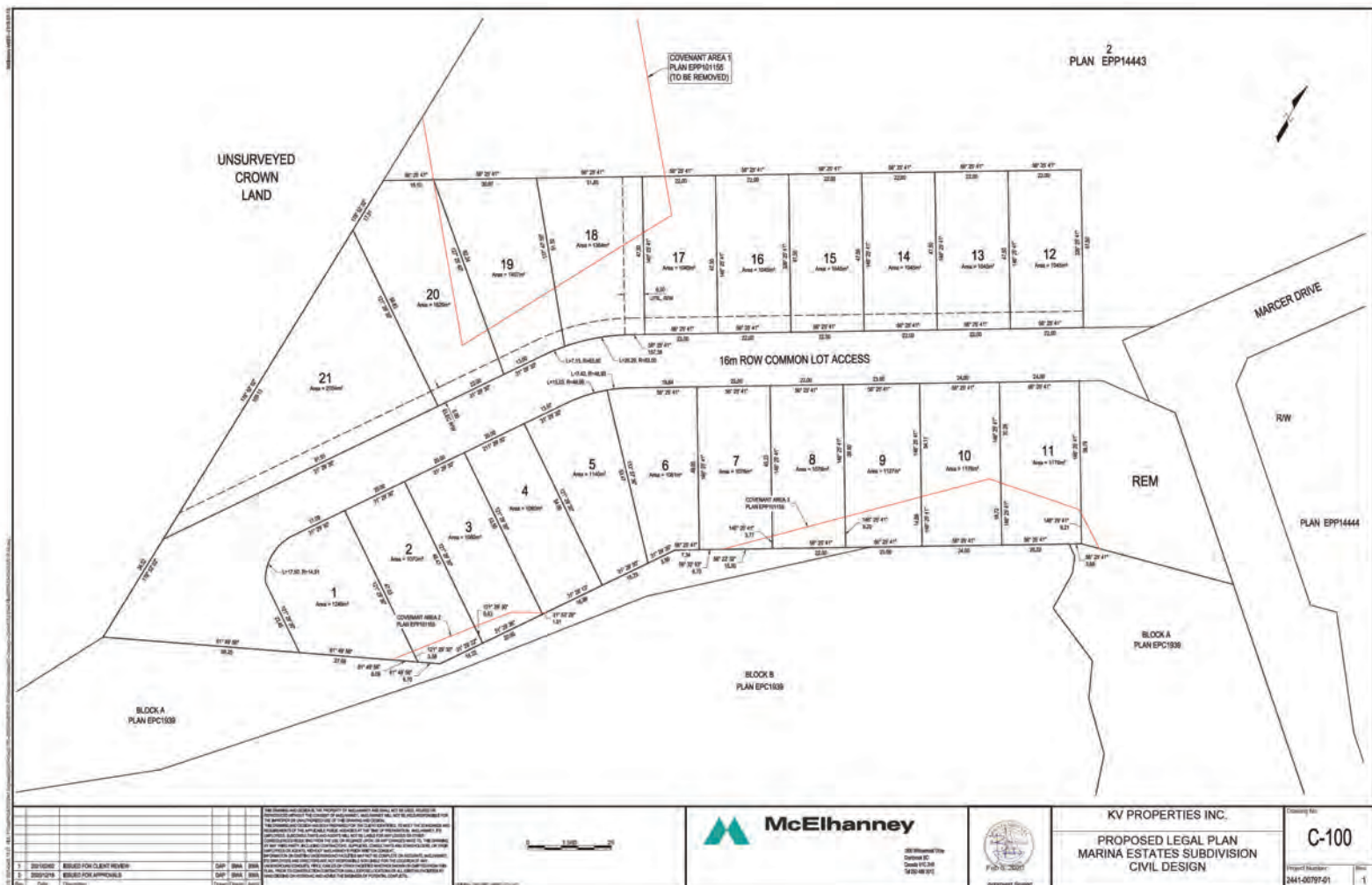


EXHIBIT U

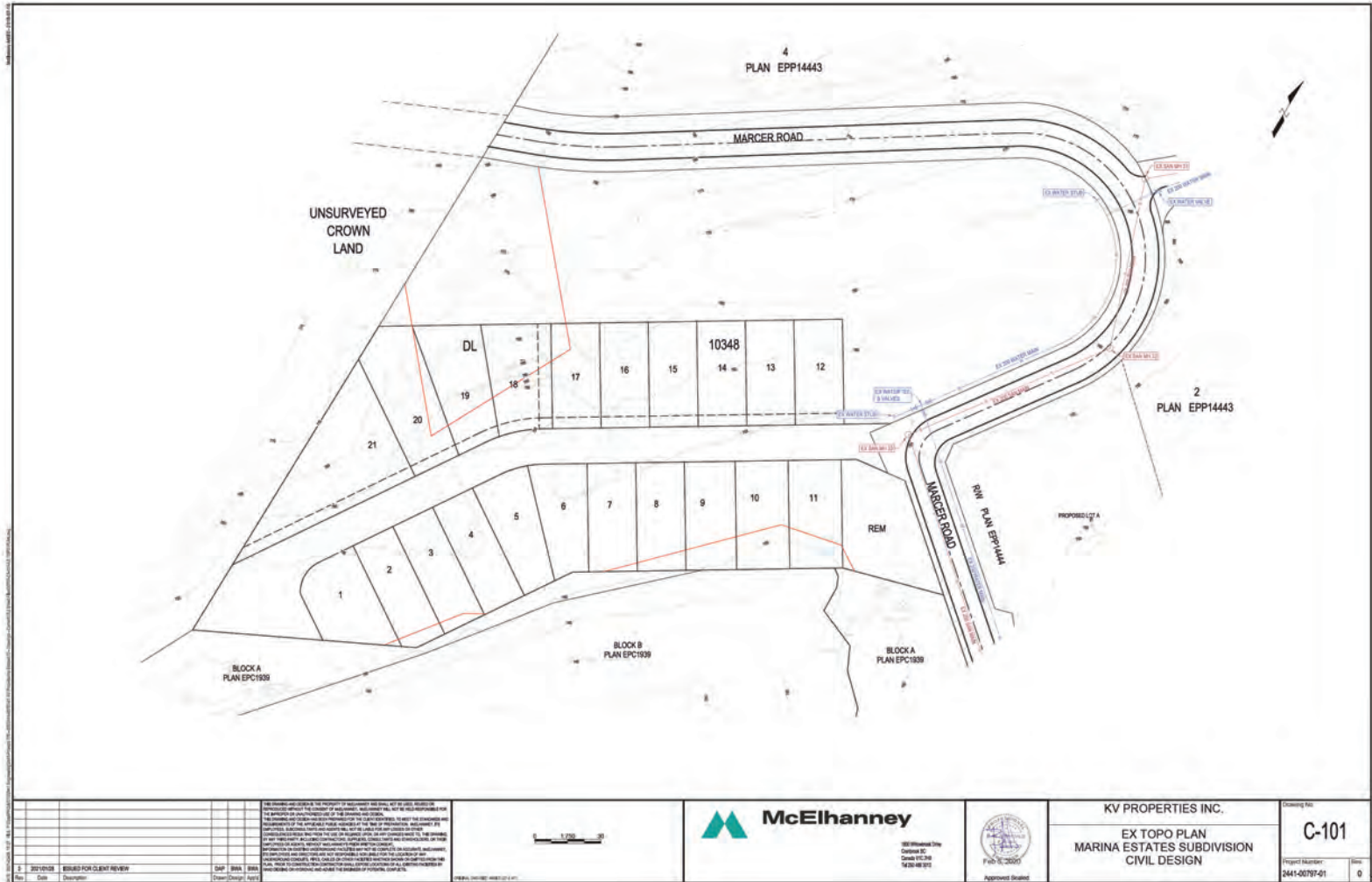


EXHIBIT U

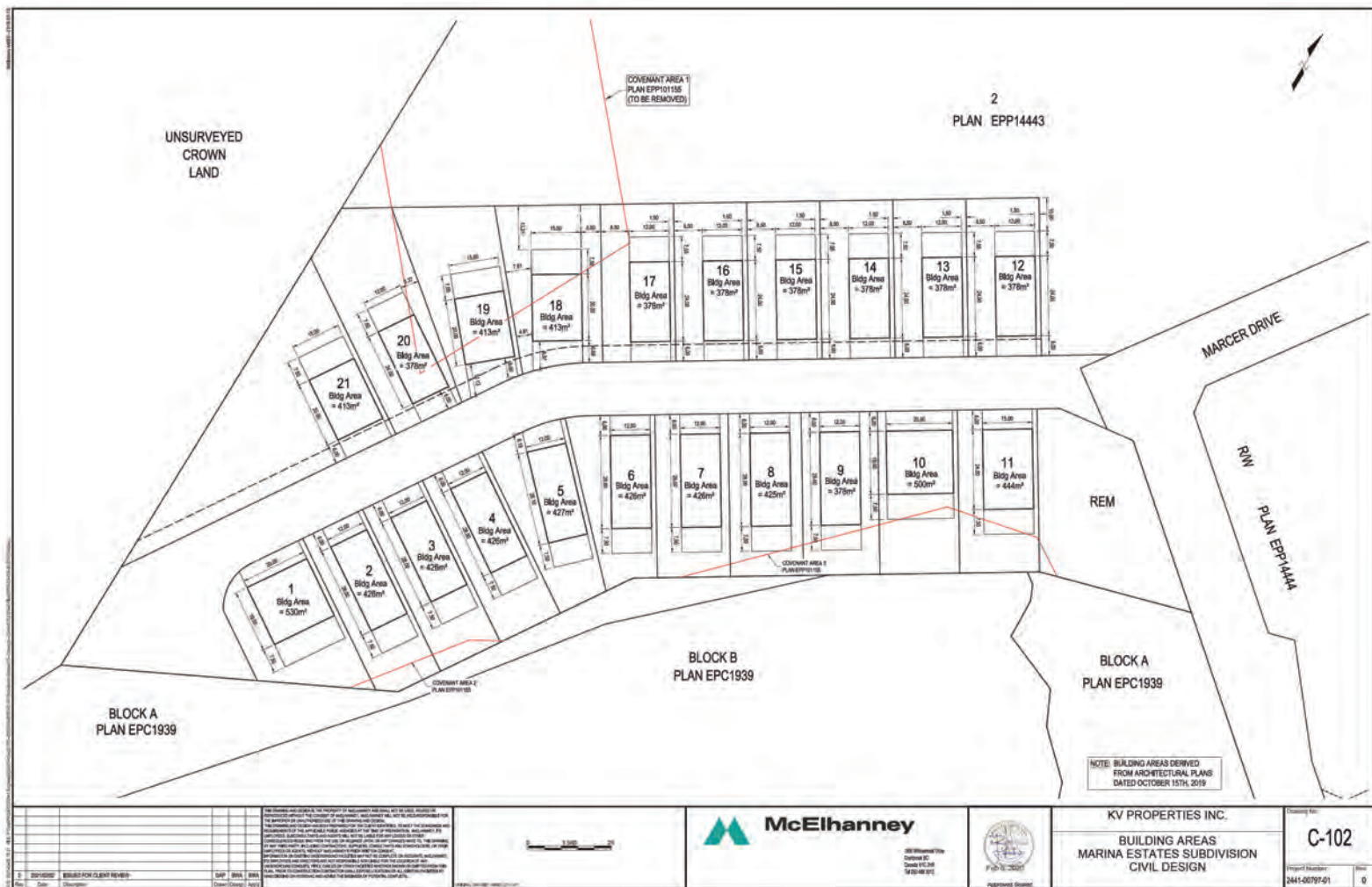


EXHIBIT U

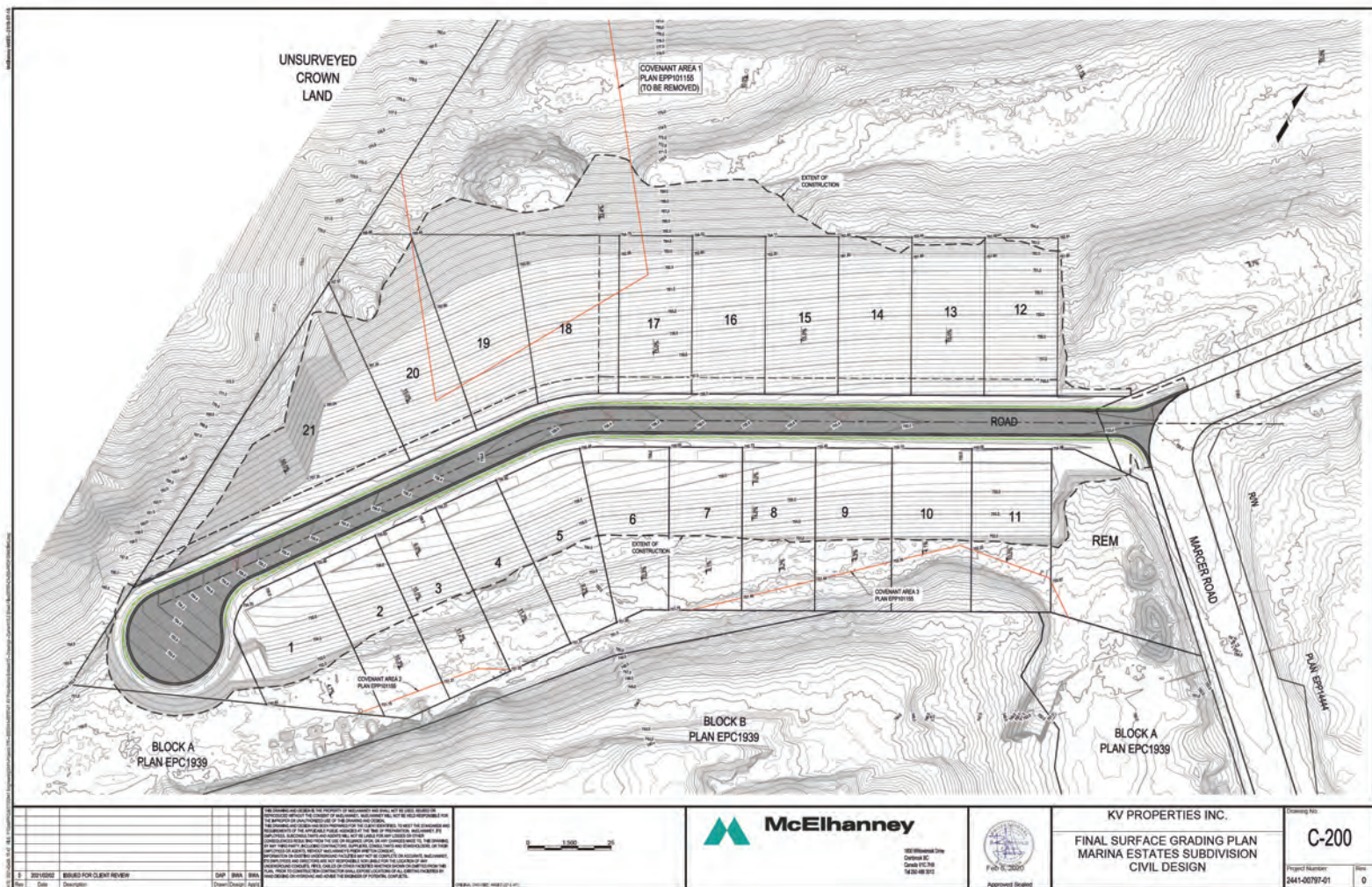
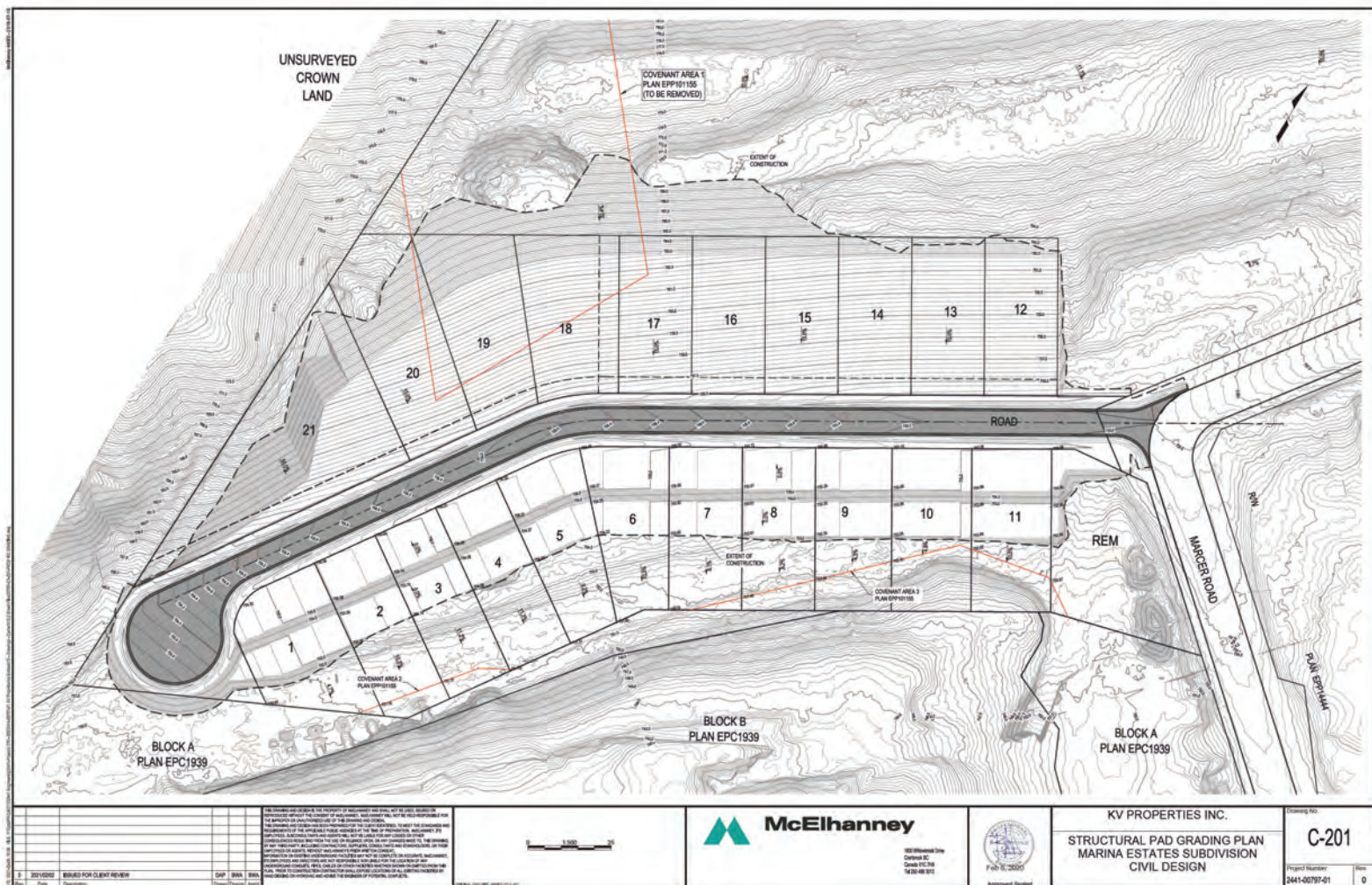


EXHIBIT U



The drawing consists of two main parts: a plan view and a profile view.

Plan View: Shows a road layout with 21 numbered lots. The road is labeled "ROAD" and "SIDE OF PAVEMENT". The lots are numbered 1 through 21. The road is shown with a centerline and edge lines. The plan view also shows the "MARINE ROAD" and "REM" (Right of Way) line.

Profile View: Shows the vertical alignment of the road. The profile view includes a horizontal axis with stationing from 0+00 to 0+200. The vertical axis shows elevation. The profile view includes a dashed line representing the existing ground and a solid line representing the proposed road profile. The profile view also includes vertical curve data, including the length of the curve (L) and the elevation of the curve (E).

Other Features: A north arrow is located in the top right corner. A scale bar is located in the bottom left corner. The title block is located in the bottom right corner and includes the following information:

- Project Name: KV PROPERTIES INC.
- Project Description: ROAD PLAN AND PROFILE MARINA ESTATES SUBDIVISION CIVIL DESIGN
- Project Number: 2441-00797-01
- Project Date: Feb 10, 2001
- Project Status: Approved

EXHIBIT U

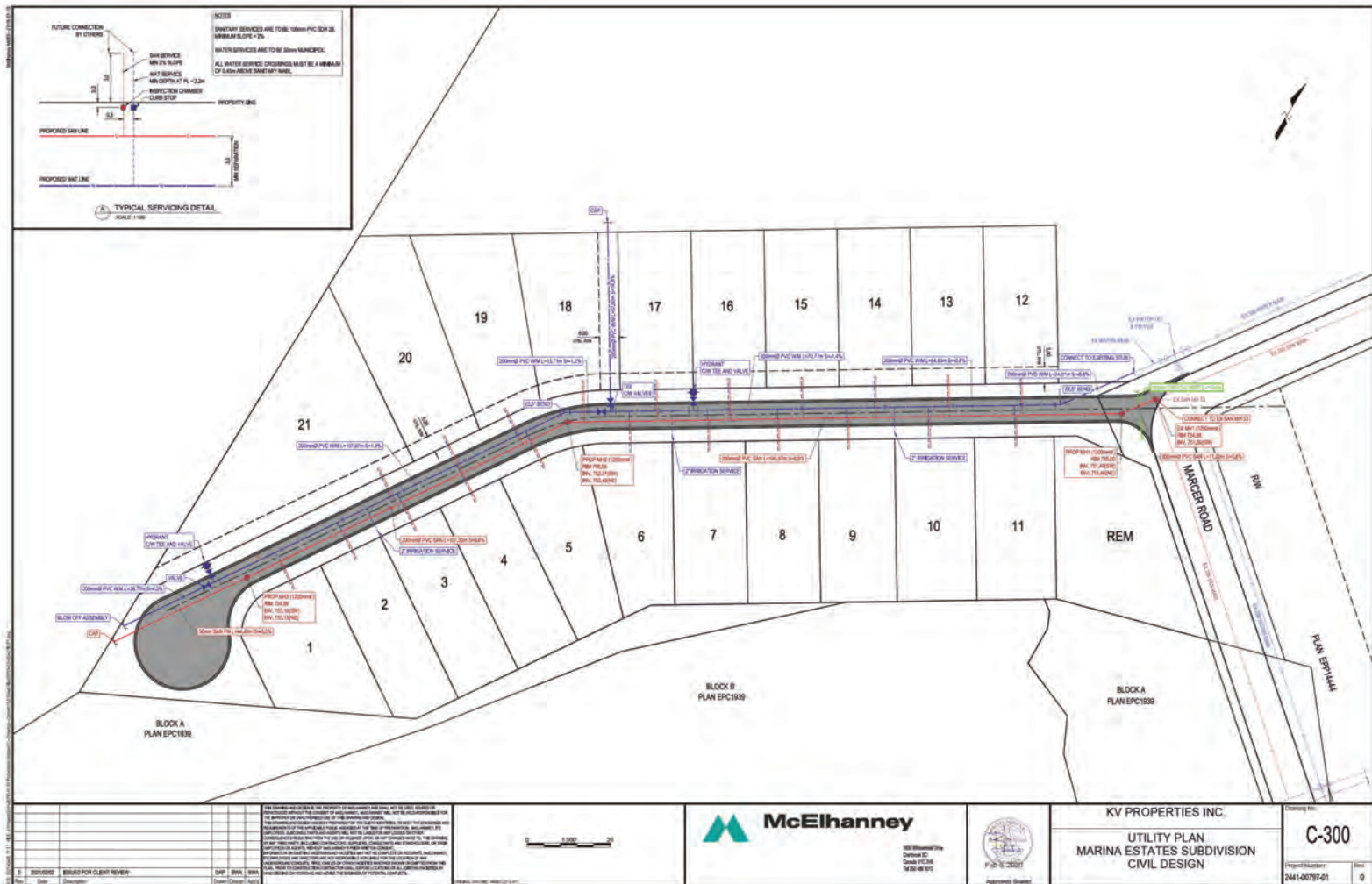


EXHIBIT U

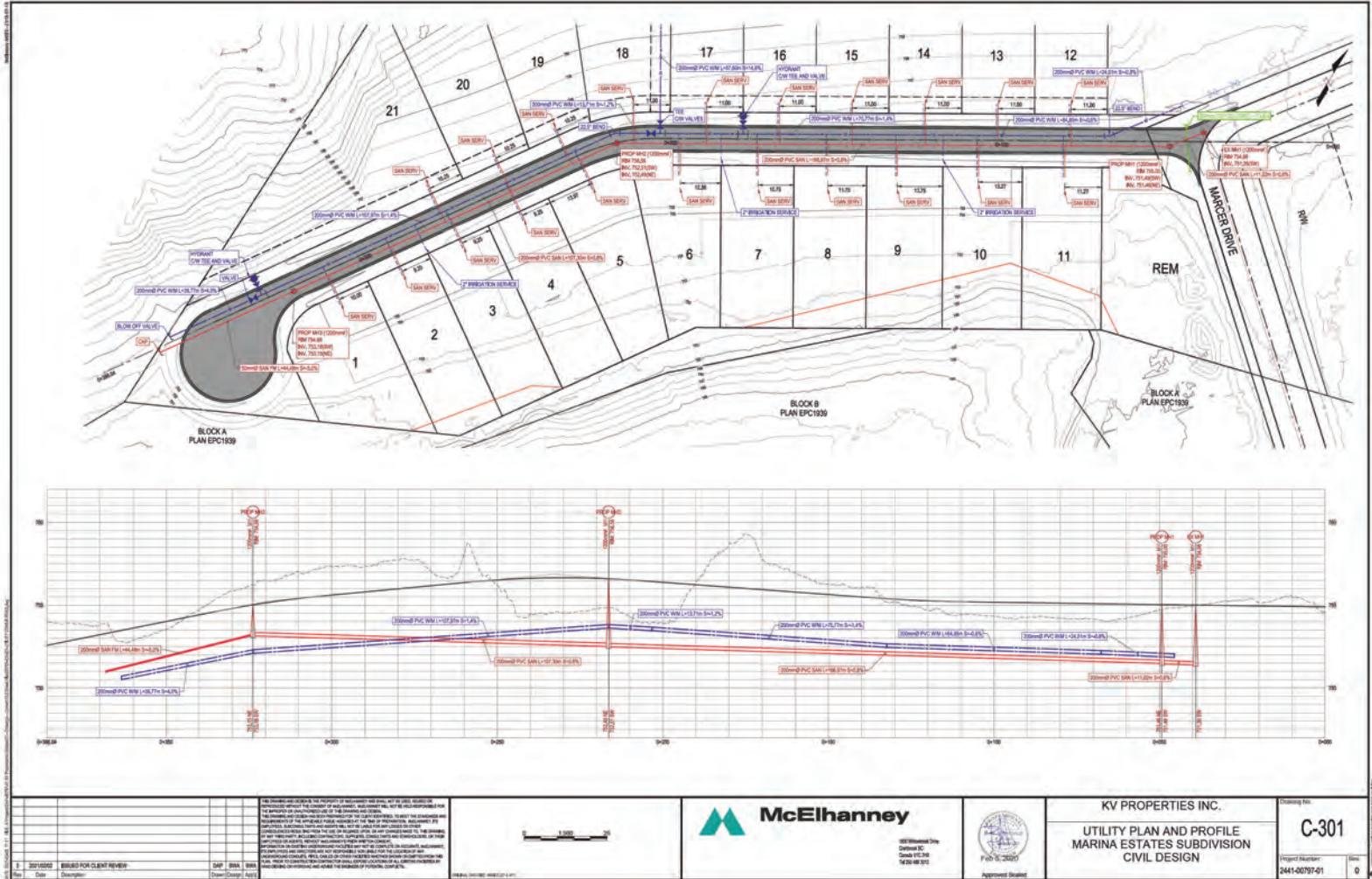
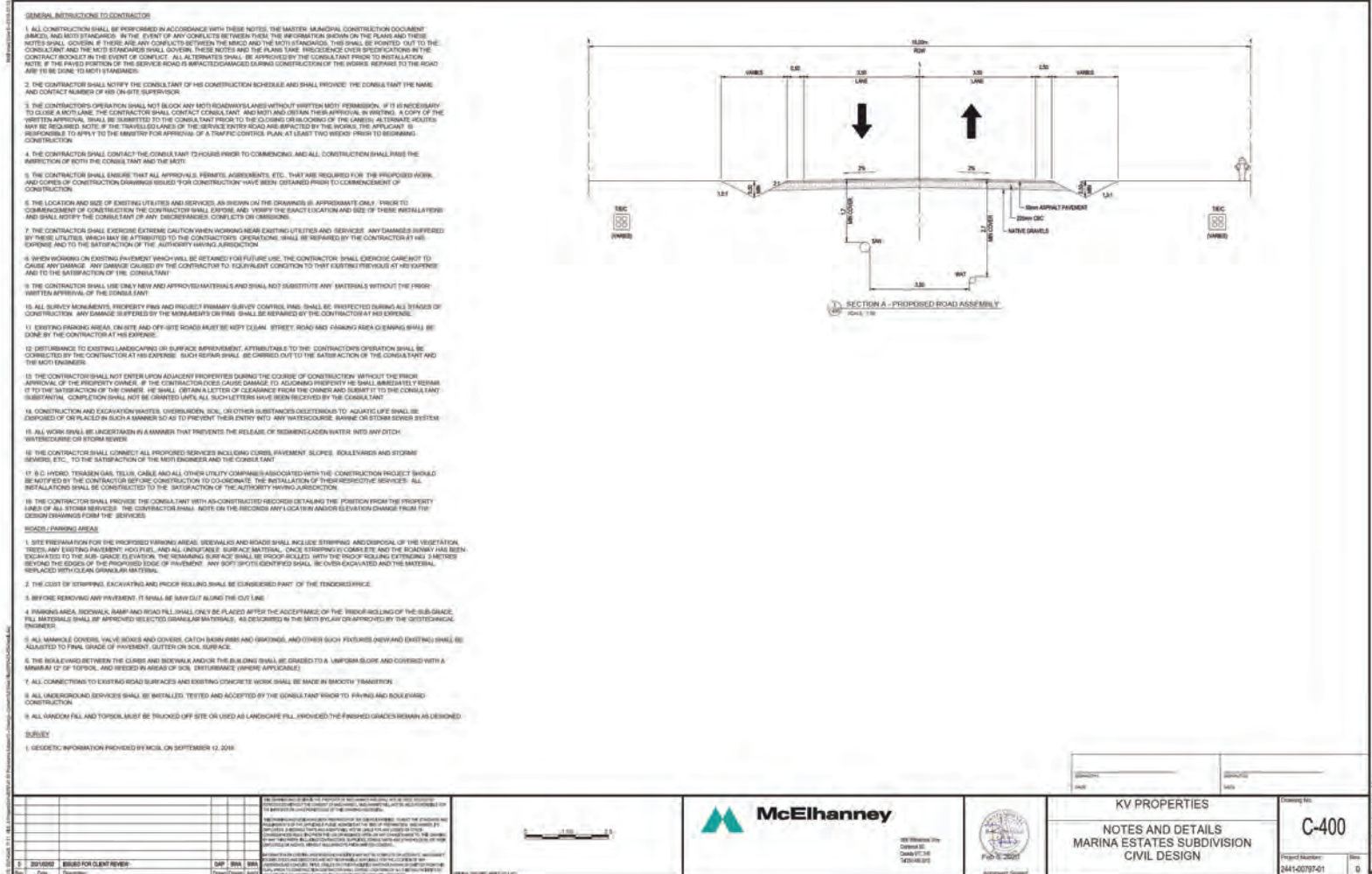


EXHIBIT U



MMCD STANDARD DETAIL DRAWINGS

UTILITY TRENCH

CHARTER NUMBER: **G4**

MMCD STANDARD DETAIL DRAWINGS

CONCRETE ENCASEMENT FOR WATERMAIN/SEWER SEPARATION

CHARTER NUMBER: **G6**

MMCD STANDARD DETAIL DRAWINGS

STANDARD AND SUMP MANHOLES

CHARTER NUMBER: **S1**

MMCD STANDARD DETAIL DRAWINGS

STANDARD MANHOLE CONNECTION DETAILS

CHARTER NUMBER: **S2**

MMCD STANDARD DETAIL DRAWINGS

SANITARY SEWER SERVICE CONNECTION

CHARTER NUMBER: **S7**

MMCD STANDARD DETAIL DRAWINGS

WATER SERVICE CONNECTION - SERVICE BOX

CHARTER NUMBER: **W2a**

MMCD STANDARD DETAIL DRAWINGS

GATE VALVE INSTALLATION

CHARTER NUMBER: **W3**

MMCD STANDARD DETAIL DRAWINGS

FIRE HYDRANT INSTALLATION

CHARTER NUMBER: **W4**

DATE: _____

BY: _____

DATE: _____

BY: _____

Project Number: **2441-00797-01**

Scale: 1" = 1'-0"

McElhanney

KV PROPERTIES

MMCD STANDARD DETAILS

MARINA ESTATES SUBDIVISION

CIVIL DESIGN

C-401

Contact

McElhanney Ryan Gibbard, P. Eng.

778-550-2002

rgibbard@mcelhanney.com

