

## CONTRACT OF PURCHASE AND SALE ADDENDUM

RE: ADDRESS: 941 Trunk Road, Duncan BC, V9L 2R9

LEGAL: Proposed Strata Lot \_\_\_\_ of the proposed subdivision of Lot A,  
Section 17, Range 7, Quamichan District, Plan VIP 85480

Further to the Contract of Purchase and Sale dated \_\_\_\_\_ (the  
"Contract") and made

Between: **0768400 B.C. Ltd.**, as Seller

and: \_\_\_\_\_ as Buyer,

### THE PARTIES FURTHER ACKNOWLEDGE AND AGREE AS FOLLOWS:

1. **Disclosure Statement.** The Buyer acknowledges receipt of the Disclosure Statement referred to in the Contract and which describes the development related to the Property. The Buyer has had an opportunity to review the Disclosure Statement prior to signing the Contract and this Addendum.
2. **Rights of Rescission.** The Buyer has the rights of rescission described in the *Real Estate Development Marketing Act* and the Disclosure Statement. Without limitation, the Buyer has the further rights of rescission described below.

**Further Rights of Rescission Related to Financing Commitment.** If an amendment to the Disclosure Statement that sets out particulars of a satisfactory financing commitment is not received by the Buyer within 12 months after the initial Disclosure Statement was filed, the Buyer may at his or her option cancel the purchase agreement at any time after the end of that 12 month period until the required amendment is received by the Buyer.

3. **Deposit.**
  - (a) **Deposit Amount.** The amount of the deposit to be paid by a Buyer who has not yet received an amendment or amendments to the disclosure statement that sets out particulars of a satisfactory financing commitment shall be not more than 10% of the Purchase Price.
  - (b) **Return of Deposit.** All deposits paid by a Buyer, including interest earned if applicable, will be returned promptly to the Buyer upon notice of cancellation from the Buyer pursuant to paragraph 2, above.
  - (c) **Deposit Interest.** Unless the Deposit is returned to the Buyer pursuant to the Buyer's rights of rescission, all interest earned on the Deposit shall be retained by the Seller.

- (d) **Holding of Deposit.** The Deposit shall be held in trust within British Columbia in the manner required by the *Real Estate Development Marketing Act* until:
- (i) the strata plan has been registered in the Land Title Office, the Property is capable of being lawfully occupied, and an instrument evidencing the interest of the Buyer in the Property has been registered in the Land Title Office; or
  - (ii) the deposit is otherwise paid out by operation of law (including pursuant to the terms of this Contract and pursuant to the terms of section 18 of the *Real Estate Development Marketing Act*);
4. **Encumbrances on Title.** The Buyer acknowledges and agrees that the Property may be encumbered by non financial charges including Restrictive Covenants, Rights of Way in favour of utilities and public authorities, Easements and other charges as are required as part of the subdivision process to create the Property all of which are described in the Disclosure Statement and any amendments.
5. **GST.** The Purchase Price does not include Goods and Services Taxes ("GST"). The Buyer shall be responsible for and pay any applicable GST in relation to the purchase of the Property.
- In the event the Buyer is eligible for the New Home Owner Rebate (the "Rebate") and provides satisfactory evidence of same to the Seller, the Buyer may assign the Rebate to the Seller and pay the net GST on Completion.
6. **Strata Plan Registered.** The strata plan shall be fully registered in the appropriate Land Title Office on or before the Completion Date.
7. **Occupancy Certificate.** The Seller shall deliver to the Buyer evidence that the Property is lawfully fit to occupy on or before the Completion Date.
8. **Delays and Extending Completion Date.**
- (a) The Seller shall use commercially reasonable efforts and due diligence to have the strata plan registered and the Property ready to occupy by the Completion Date.
  - (b) The Seller shall be entitled, on one occasion, to extend the Completion Date by up to 30 days by providing the Buyer with written notice at least 10 days prior to the Completion Date.
  - (c) If the Seller is unable to complete construction as required for reasons beyond the control of the Seller (the "Delay") including: strike, lock-out,

unavailability of material or labour, fire, earthquake, Act of God, and orders of competent governmental authority or court; then, at the option of the Seller, exercised by written notice to the Buyer (together with evidence of the Delay), the Completion Date shall be extended such period of time that is equal to the Delay.

9. **Warranty.** The Seller warrants that mandatory home warranty insurance coverage has been arranged. The home warranty provider is National Home Warranty.
10. **Size and measurements.** The Buyer acknowledges and agrees that final interior dimensions and living areas may vary slightly from what is provided in plans and descriptions. Any variation of 5% or less shall not be deemed material.
11. **Pre-Occupation Inspection and Deficiencies.** The Buyer and a representative of the Seller will conduct a walk-through inspection of the Property not later than 3 days prior to the Completion Date. Immediately after the walk-through, the parties will complete a deficiency list of mutually agreed upon items to be remedied by the Seller (the "**Deficiency List**"). Both parties will sign and date and retain a copy of the Deficiency List.

The Seller shall complete the deficiencies described in the Deficiency List at the Seller's expense as diligently as is practicable and, in any event, within 30 days of the Completion Date. There shall be no holdback from the purchase price for matters contained in the Deficiency List.

Taking Possession of the Property shall be deemed to be conclusive proof that the Property is completed in compliance with this Agreement (except for the matters in the Deficiency List).

12. **Builders Lien Hold back.** Pursuant to the *Builders Lien Act* and *Strata Property Act* of British Columbia, the Buyer shall be entitled to hold back from the sale proceeds an amount equal to 7% of the Purchase Price (the "Holdback") for a period of 55 days following issuance of an occupancy certificate of completion or the Completion Date (whichever first occurs).

The Holdback shall be held in trust by the solicitor for the Seller.

13. **PTT.** The Buyer acknowledges that the Buyer will be liable to pay Provincial Property Transfer Tax on the Purchase Price.
14. **Counterparts etc.** The Contract and any addendums to the Contract may be signed in counterparts.

The parties agree that reproduction of signatures and initials by telecommunications on the Contract and any addendums to the Contract will be treated as

originals. (Transfer documents, and mortgage documents and any other land title documents must be originals).

15. **Assignment.** The Buyer may assign its interest under the Contract to a third party with the written consent of the Seller, such consent not be unreasonably with-held, and:
- (a) written notice of the assignment shall be signed by the Buyer and given to the Seller not less than 1 week prior to the effective date of such assignment;
  - (b) such assignment will not relieve the Buyer of its obligations under the Contract; and
  - (c) the Seller shall be entitled to an assignment fee in the amount of \$500.00 as compensation to the Seller for recording the assignment.

**Executed by the parties** to be effective as at the date of the Contract.

SIGNED, SEALED AND DELIVERED  
by the Buyer in the presence of:

\_\_\_\_\_  
Witness:

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Signed by the Seller, 0768400 B.C. Ltd. by its authorized signatory:

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Peter B. Kusters, President