

**CONSOLIDATED DISCLOSURE STATEMENT**

**OF**

**WJ LOTS ULC (the “Developer”)**

**FOR**

**Whiskey Jack Resort I (the “Development”)**

Originally Dated: December 3, 2007  
Amended: February , 2009

Developer: WJ LOTS ULC  
Name of Development: Whiskey Jack Resort I  
Address For Service: c/o Leffler Law Office  
862 - 3rd Avenue  
Box 1873  
Fernie, B.C. V0B 1M0

Business Address: P.O. Box 1869  
Sparwood, B.C.  
V0B 2G0

Real Estate Company  
On Behalf of Developer: Royal Lepage East Kootenay Realty Ltd.  
561A Highway #3  
Box 1748  
Fernie, B.C.  
V0B 1M0

**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: \_\_\_\_\_.**

**DISCLAIMER**

**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.**

## **RIGHT OF RESCISSION**

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

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

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

**The developer must promptly place 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.**

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## **1. THE DEVELOPER**

- 1.1** The Developer was incorporated under the laws of the Province of Alberta on June 29, 2007 under number 2013340290, and was extra-provincially registered in the Province of British Columbia on July 11, 2007 under number A0071765.
- 1.2** The Developer was incorporated specifically for the purpose of developing the lots contemplated herein and it has no assets other than the Development itself.
- 1.3** **Address of the Developer's registered and records office:**

Head Office:

1400, 350 - 7<sup>th</sup> Avenue SW  
Calgary, AB  
T2P 3N9

B.C. Address:

c/o Crease Harman & Company  
P.O. Box 997  
800 – 1070 Douglas Street  
Victoria, B.C. V8W 2C4

**1.4** **Director's of the Developer:**

The directors of the Developer are Joseph Valentine and Stuart Koch.

**1.5** **Developer's Experience:**

1.5.1 This is the first development that the Developer has undertaken. None of the director's or officers have any experience in the development industry.

1.5.2 The Developer has not been, nor have any of the principals of the Developer been, within the ten years before the date of the Developer's Declaration attached to the Disclosure Statement, 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.

1.5.3 The Developer has not been, nor have any of the principals of the Developer been, within the five years before the date of the Developer's Declaration attached to the Disclosure Statement, declared bankrupt, nor have they made a voluntary assignment of bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement, or compromise with creditors, nor have they had a receiver, receiver-manager or trustee appointed to hold any of their assets.

1.5.4 No director, officer or principal holder of the Developer, or any director or officer of the principal holder, within the five years before 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, was:

- (a) 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

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

1.5.5 There are no 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 holder, and any other person providing goods or services to the Developer, managers or holders of the development units in connection with the Development which could reasonably be expected to affect the Purchaser's purchase decision.

## **2. GENERAL DESCRIPTION OF THE DEVELOPMENT**

### **2.1 General Description of the Development**

#### 2.1.1 The Development

The Development comprises part of the Whiskey Jack Golf Resort Community, which is located within the District of Sparwood, Province of British Columbia (the "Municipality"). The Development will consist of 119 lots (the "Lots"), which will all be individually owned. All of the Lots are being marketed for sale.

The Development will be located on a portion of the lands (the "Lands") presently legally described as follows:

P.I.D. 027-789-101

Lot 1, District Lots 4135, 6250, 6666, 7781, 8525, 9488, 9489, 12749 and 12750, Kootenay District, Plan NEP88161

The Lots will be subdivided out from the Lands as shown on the plan attached as Exhibit 'A' to this Disclosure Statement (the "Plan to Accompany Disclosure Statement"). The Plan to Accompany Disclosure Statement is subject to further adjustments and may vary slightly from what is presently shown.

Titles for the Lots will be created by the deposit of a Subdivision Plan in the Kamloops Land Title Office.

#### 2.1.2 Whiskey Jack Golf Resort Community and Amenities:

The Whiskey Jack Golf Resort Community is a master-planned residential community being developed by the Developer which will involve future developments adjacent to or in the vicinity of the Development. When completed, the Whiskey Jack Golf Resort Community will consist of approximately 800 residential units, made up of a number of separate single and multi-family developments.

Outdoor activities and amenities planned or expected to be available at or in the vicinity of the

Whiskey Jack Golf Resort Community will include a Fred Couples signature eighteen hole golf course (the “Golf Course”). The Golf Course is planned to include a clubhouse and practice facilities. The conceptual plan for the Whiskey Jack Golf Resort Community includes hiking and biking pathways, community parks and cross country ski trails. It is also planned that the Whiskey Jack Golf Resort community will include a village area to provide services and support to not only the residents of the Whiskey Jack Golf Resort Community, but to the greater community. Such village is planned to include a hotel, restaurants, retail and service shops, a fitness centre and a spa.

## **2.2 Permitted Use**

The Lots are zoned by the District of Sparwood as S-RR (Sparwood Resort Residential). The details of such zoning may be obtained from the District of Sparwood. The permitted uses under the zoning bylaw allow some commercial use.

## **2.3 Building Construction**

- 2.3.1 Any improvements to be constructed on the Lots are the responsibility of the Purchaser and a building permit is required for all such improvements.
- 2.3.2 The Developer intends to register a Declaration of Building Scheme (“Statutory Building Scheme”) as a charge against a title of each of the Lots, which outlines the restrictions on the type of building(s) that may be constructed on the lands and restrictions on the purchaser's use of the Lots. It also appoints the Developer to review and approve plans and specifications in relation to the design guidelines for the Development. The Statutory Building Scheme is attached as Exhibit 'B'.
- 2.3.3 Building permits are available upon application and payment of required fees, subject to the requirements of the District of Sparwood.
- 2.3.4 For further information on applicable building and zoning bylaws, purchasers should contact:

District of Sparwood  
P.O. Box 520  
136 Spruce Avenue  
Sparwood, B.C. V0B 2G0  
Telephone: 250-425-6271

- 2.3.5 The Development is not part of a phased Plan.

## **3. SERVICING INFORMATION**

### **3.1 Utilities and Services**

#### **3.1.1 Water**

The Developer will connect the water system of the Municipality to the boundary of the Lots. All services, facilities and equipment require in connection with the provision of

water services to the Lots will be owned by the Municipality. The prospective purchasers will be required to extend the water system from the boundary of the Lots at their own cost.

### 3.1.2 Electricity

Electricity for the Lots will be provided by British Columbia Hydro and Power Authority (“B.C. Hydro”). All services, facilities and equipment required in connection with the provision of electricity to the Lots will be owned by B.C. Hydro. Any hook-up charges specific to each of the Lots shall be the responsibility of the prospective purchasers.

### 3.1.3 Sewerage

The Developer will connect the sewer system of the Municipality to the boundary of the Lots. All services, facilities and equipment require in connection with the provision of water services to the Lots will be owned by the Municipality. The prospective purchasers will be required to extend the sewer system from the boundary of the Lots at their own cost.

### 3.1.4 Natural gas

Natural gas for the Lots will be provided by Terasen Gas (“Terasen”). All underground services, facilities and equipment required in connection with the provision of natural gas to the Lots will be owned by Terasen. Any hook-up charges specific to each of the Lots shall be the responsibility of the prospective purchasers.

### 3.1.5 Fire Protection

Fire fighting services will be provided by the Municipality fire department which is administered by the Municipality.

### 3.1.6 Telephone

Telephone services for the Lots will be provided by TELUS Communications (B.C.) Inc. (“Telus”). All underground services, facilities and equipment required in connection with the provision of telephone service to the Lots will be owned by Telus. Any hook-up charges specific to each of the Lots shall be the responsibility of the prospective purchasers.

### 3.1.7 Access

Access to the Development shall be off of Highway 43, onto Arbutus Road and then onto Whiskey Jack Lane.

## **4. TITLE AND LEGAL MATTERS**

### **4.1 Legal Description**

P.I.D. 027-789-101

Lot 1, District Lots 4135, 6250, 6666, 7781, 8525, 9488, 9489, 12749 and 12750, Kootenay District, Plan NEP88161

### **4.2 Ownership**

The registered owner of the development is WJ LOTS ULC.

### **4.3 Existing Encumbrances and Legal Notations**

- (a) Right of Way K3823 in favour of British Columbia Hydro and Power Authority (“Hydro”): This document allows Hydro access over a portion of the Lands which is not in the Development in order to string, operate, maintain, remove and replace electrical lines. As the area defined in the Right of Way is not included in the Development, the Right of Way will not flow onto title to the Lots.
- (b) Easement XG10860, as modified by KL51322, in favour of Elk Valley Investments Ltd. (the “Company”): This document allows the Company access over a portion of the Lands which is not within the Development in order to operate and maintain a water line and pump house which are used to service the neighbouring property. As the area defined in the Easement is not included in the Development, the Easement will not flow onto title to the Lots.
- (c) Covenant KP4062 in favour of the District of Sparwood: This document provides that, given the avalanche risk on a portion of the Lands which is not in the Development, there can be no building within that avalanche area. As the area defined in the Covenant is not included in the Development, the Covenant will not flow onto title to the Lots.
- (d) Lease KP104825 in favour of Sunset Ridge Ski Society: This document allows the ski hill society to use the existing ski hill area in the Southwest portion of the Lands. As the area defined in the Lease is not included in the Development, the Lease will not flow onto title to the Lots.
- (e) Covenant LB80850, as extended by LB267516, in favour of the District of Sparwood: This document restricts the total amount of dwelling units in the Whiskey Jack Golf Resort Community.
- (f) Covenant LB80851, as extended by LB267517 and LB267519, in favour of the District of Sparwood: This document restricts subdivision and construction of the Development. The Covenant will be discharged from the Development concurrently with the registration of a subdivision plan creating the Lots.
- (g) Covenant LB80852, as extended by LB267518, in favour of the District of Sparwood: This document provides that the golf course, which is to be included in the Whiskey Jack Golf Resort Community, must remain a public golf course with a specified cap on

green fees. The Covenant will be discharged from the Development either concurrently with or subsequent to the registration of a subdivision plan creating the Lots.

- (h) Statutory Right of Way LB80853 in favour of the District of Sparwood: This document provides that the District of Sparwood shall have a Right of Way over a portion of District Lot 6250, Kootenay District, Except Parts Included in Plans 11117 and 15165, which Right of Way allows the District of Sparwood to provide a public trail system through the Whiskey Jack Golf Resort Community. The Right of Way will be discharged from the Development either concurrently with or subsequent to the registration of a subdivision plan creating the Lots.
- (i) Statutory Right of Way LB80854 in favour of the District of Sparwood: This document provides that the District of Sparwood shall have a Right of Way over a portion of District Lot 6250, Kootenay District, Except Parts Included in Plans 11117 and 15165, which Right of Way allows the District of Sparwood to install a water system. The Right of Way will be discharged from the Development either concurrently with or subsequent to the registration of a subdivision plan creating the Lots.
- (j) Option to Purchase LB83334, as extended by LB267520, in favour of the District of Sparwood: This document gives the District of Sparwood an Option to Purchase the Property back from the Developer at 50% of the then market value of the Property if the Developer has not substantially completed an 18 hole golf course by August 1, 2011. The Option to Purchase will be discharged from the Development concurrently with the registration of a subdivision plan creating the Lots.
- (k) Mortgage LB83335 and Assignment of Rents LB83336, as extended by LB267521, in favour of the District of Sparwood: These charges secure a loan given by the District of Sparwood and will be discharged from the Lots on a per lot basis upon sale of each individual lot in exchange for payment to the District of Sparwood of \$20,000 per lot.
- (l) Exceptions and Reservations LB201107 and LB255109 in favour of The Crown in Right of British Columbia: This document allows the government of British Columbia to resume an interest in a portion of the Lands that is not within the Development should it decide that that portion of the Lands is necessary for transportation purposes. As the area defined in the Exceptions and Reservations is not included in the Development, the Exceptions and Reservations will not flow onto title to the Lots.
- (m) Covenant LB201118 in favour of the District of Sparwood: This document provides that building can take place only on certain portions of the Lands due to flooding concerns. As the area defined in the Covenant is not included in the Development, the Covenant will not flow onto title to the Lots.
- (n) Mortgage LB256499, as modified by LB274646, and Assignment of Rents LB256500, as extended by LB267522, in favour of Quadrum Mortgage Corp.: These charges secure a loan given by Quadrum Mortgage Corp. and will be discharged from the Lots on a per lot basis upon sale of each individual lot in exchange for payment to Quadrum Mortgage Corp. of either 80% of the gross sale price of the Lot or \$100,000.00, whichever is greater.

#### **4.4 Proposed Encumbrances**

- (a) The Developer intends to register a Declaration of Building Scheme (the “Statutory Building Scheme”) as a charge against title to each of the Lots, which outlines the restrictions on the type of building(s) that may be constructed on the lands, and restrictions on the purchaser’s use of the Lots. It also appoints the Developer to review and approve plans and specifications in relation to the design guidelines for the development. The Statutory Building Scheme is attached as Exhibit 'B'.
- (b) The Developer intends to register a Rent Charge (the “Rent Charge”) as a charge against title to each of the Lots, which provides for the calculation and payment of funds to the Developer, or its assignee, in respect of various services to be provided by the Developer to the Whiskey Jack Golf Resort Community, in which the Lots are located. The Rent Charge is attached as Exhibit 'C'.
- (c) The Developer intends to register an Easement (the “Easement”) as a charge against title to each of the Lots, which Easement will permit the Developer to access each of the Lots for the purpose of lawn maintenance and snow clearing, as contemplated in the Rent Charge. The Easement is attached as Exhibit 'D'.
- (d) The Developer intends to register a Restrictive Covenant (the “Restrictive Covenant”) as a charge against title to each of the Lots, which Restrictive Covenant shall prevent any further subdivision of the Lots. The Restrictive Covenant is attached as Exhibit 'E'.
- (e) On the sale of each Lot, each Purchaser will be required to register an Option to Purchase as a charge against title pursuant to which the Developer may buy back the Lot from the Purchaser if the Purchaser fails to commence construction within 5 years of purchase, and/or fails to complete such construction within 6 years. The Option to Purchase can be exercised for a price of 90% of the Purchase price paid by the Purchaser to the Developer for the Lot. The form of the Option to Purchase is attached hereto as Exhibit 'F'.
- (f) There may also be registered against title such easements and rights of way as may be required by utility providers in order for such service to be provided.

#### **4.5 Outstanding or Contingent Litigation or Liabilities**

There is no outstanding litigation in respect of the Development or against the Developer which might affect the Development.

#### **4.6 Environmental Matters**

There are no outstanding or anticipated environmental issues with the Development.

### **CONSTRUCTION AND WARRANTIES**

#### **5.1 Construction Dates**

Construction on the Development commenced in May, 2007 and registration of the subdivision

plan is expected to be completed on or before May 31, 2009. The estimated date of completion of servicing and utilities is on or before September 30, 2009.

## **5.2 Warranties**

There are no warranties except that the installation of utilities and services will be completed in a good and workmanlike manner.

## **6. APPROVALS AND FINANCES**

### **6.1 Development Approval**

The approving officer for the Municipality granted preliminary layout approval of the Development on November 29, 2007.

### **6.2 Construction Financing**

In order to create and service the Lots, the Developer has arranged and registered against title to the Development a mortgage in favour of Quadrum Mortgage Corp. The Developer has arranged for such mortgage to be proportionately discharged on the sale of each Lot by way of payment of either 80% of the gross sale price of the Lot or \$100,000.00, whichever is greater, to Quadrum Mortgage Corp.

## **7. MISCELLANEOUS**

### **7.1 Deposits**

All deposits or other monies received shall be held in a trust account of Royal Lepage East Kootenay Realty Ltd. until such time as title or other interest contracted for is conveyed and assured to the purchaser, or is otherwise paid out in accordance with the *Real Estate Development Marketing Act*.

### **7.2 Purchase Agreement**

The Developer will use the form of contract of purchase and sale attached as Exhibit 'G' with respect to the sale of each Lot, unless otherwise agreed between the Purchaser and the Developer. The Developer may at any time use another form or forms of contract of purchase and sale.

(a) Termination of the Purchase Agreement:

- (i) The Purchase Agreement shall be terminated if the Completion Date has not occurred by December 31, 2010. In such event, the Deposit, and any interest thereon, shall be returned to the Purchaser.
- (ii) The Purchase Agreement shall be terminated in the event that the Purchaser does not give the Developer or the Developer's agent notice of the satisfaction or waiver of any of the Purchaser's Conditions (as set out in paragraph 9 of the Purchase Agreement) and, in such event, the Deposit, and any interest thereon,

shall be returned to the Purchaser.

- (iii) The Purchase Agreement may be terminated by the Developer, upon written notice to the Purchaser, in the event that a Major Outside Event (as defined in paragraph 14 of the Purchase Agreement) shall occur rendering it impossible or not reasonably feasible or economical for the Vendor to perform its obligations under the Purchase Agreement.
- (iv) The Purchase Agreement may be terminated by the Developer, in the Developer's sole and absolute discretion, if the Developer is not satisfied with the level of pre-sales in place by May 31, 2009.
- (b) Extension of the Purchase Agreement: The Purchase Agreement may be extended for a maximum of three months after the Completion Date first established in the event that title has not yet been issued for the Property in Land Titles Office.
- (c) Assignment of the Purchase Agreement: The Purchaser may not assign the Purchase Agreement without receiving the Developer's written consent and unless the Purchaser gives the Developer and the Developer's Solicitors not less than 10 days' written notice of a proposed assignment. An assignment will not release or discharge the Purchaser from any of the Purchaser's duties or obligations under this Contract, even if this Contract is subsequently amended or further assigned.
- (d) Interest on the Deposit: Unless specifically requested by the Purchaser, the Deposit will not be placed in an interest bearing account and will, therefore, not have interest accruing to the benefit of the Purchaser. If so specifically requested, subject to subsection 2(c), the interest earned on the Deposit will be for the benefit of the Purchaser.

### **7.3 Developer's Commitments**

None

### **7.4 Other Material facts**

#### **7.4.1 Proposed Future Developments**

The Development is a part of the long term development of the Whiskey Jack Golf Resort Community, which will involve future developments adjacent to or in the vicinity of the Development. Prospective purchasers should be aware that construction of these future developments in the Whiskey Jack Golf Resort Community will involve noise, dirt, dust and vibrations normally associated with construction projects. Further, as a result of such developments, views from the Lots may change over time.

## **8. EXHIBITS**

The following are the Exhibits attached to the Disclosure Statement:

Exhibit A Plan to Accompany Disclosure Statement

Exhibit B	Statutory Building Scheme
Exhibit C	Rent Charge
Exhibit D	Easement
Exhibit E	Restrictive Covenant
Exhibit F	Option to Purchase
Exhibit G	Contract of Purchase and Sale

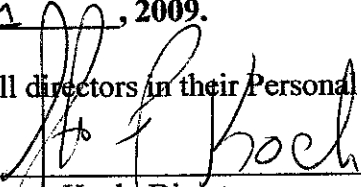
### **DEEMED RELIANCE**

**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 misrepresentations, subject to defences available under section 22 of the Act.**

**DECLARATION**

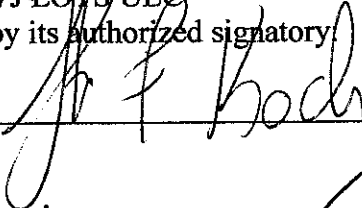
**The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the Real estate Development Marketing Act of British Columbia, as of February 1, 2009.**

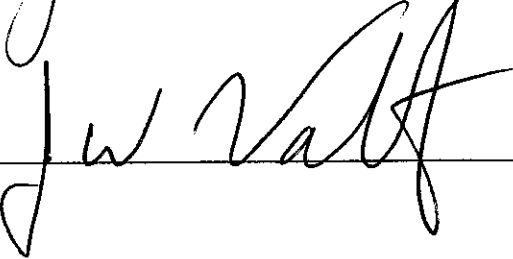
All directors in their Personal Capacity:

  
\_\_\_\_\_  
Stuart Koch, Director

  
\_\_\_\_\_  
Joseph Valentine, Director

WJ LOTS/ULG  
by its authorized signatory

  
\_\_\_\_\_

  
\_\_\_\_\_

**SOLICITOR'S CERTIFICATE**

IN THE MATTER OF the Real Estate Development  
Marketing Development Act and the Disclosure  
Statement of :

**WJ LOTS ULC**

**P.I.D. 027-789-101**

**Lot 1, District Lots 4135, 6250, 6666, 7781, 8525, 9488, 9489, 12749  
and 12750, Kootenay District, Plan NEP88161**

I, Todd Leffler, Solicitor, a member of the Law Society of British Columbia, having read over the above-described Disclosure Statement dated December 3, 2007 and the above-described First Amendment to Disclosure Statement dated February 1, 2009, made any required investigations in public offices, and reviewed the same with the Developer therein named, hereby certify that the facts contained in paragraphs 4.1, 4.2 and 4.3 of the Disclosure Statement are correct.

Dated at the City of Fernie, in the Province of British Columbia,  
this 19 day of February, 2009.



\_\_\_\_\_  
Todd Leffler

**PLAN TO ACCOMPANY DISCLOSURE STATEMENT OF PARTS OF**  
**(1) LOT A, D.L. 9488, PLAN 12960 EXCEPT PARTS INCLUDED IN**  
**PLANS 11117, 14073, 15165, NEP59805, NEP65613 AND NEP 81620**  
**(2) DISTRICT LOT 6250 EXCEPT PARTS INCLUDED IN**  
**PLANS 11117 AND 15165, KOOTENAY DISTRICT**

Pursuant to Section 87 of the Land Title Act  
 BCGS B2G-076

SCALE 1:1500

**LEGEND**  
 Boundary are delineated and  
 defined from Plan 7777  
 All distances are in metres  
 (1) Proposed new foot path  
 (2) Existing concrete foot path  
 (3) Proposed concrete foot path  
 (4) Existing concrete foot path  
 (5) Proposed concrete foot path

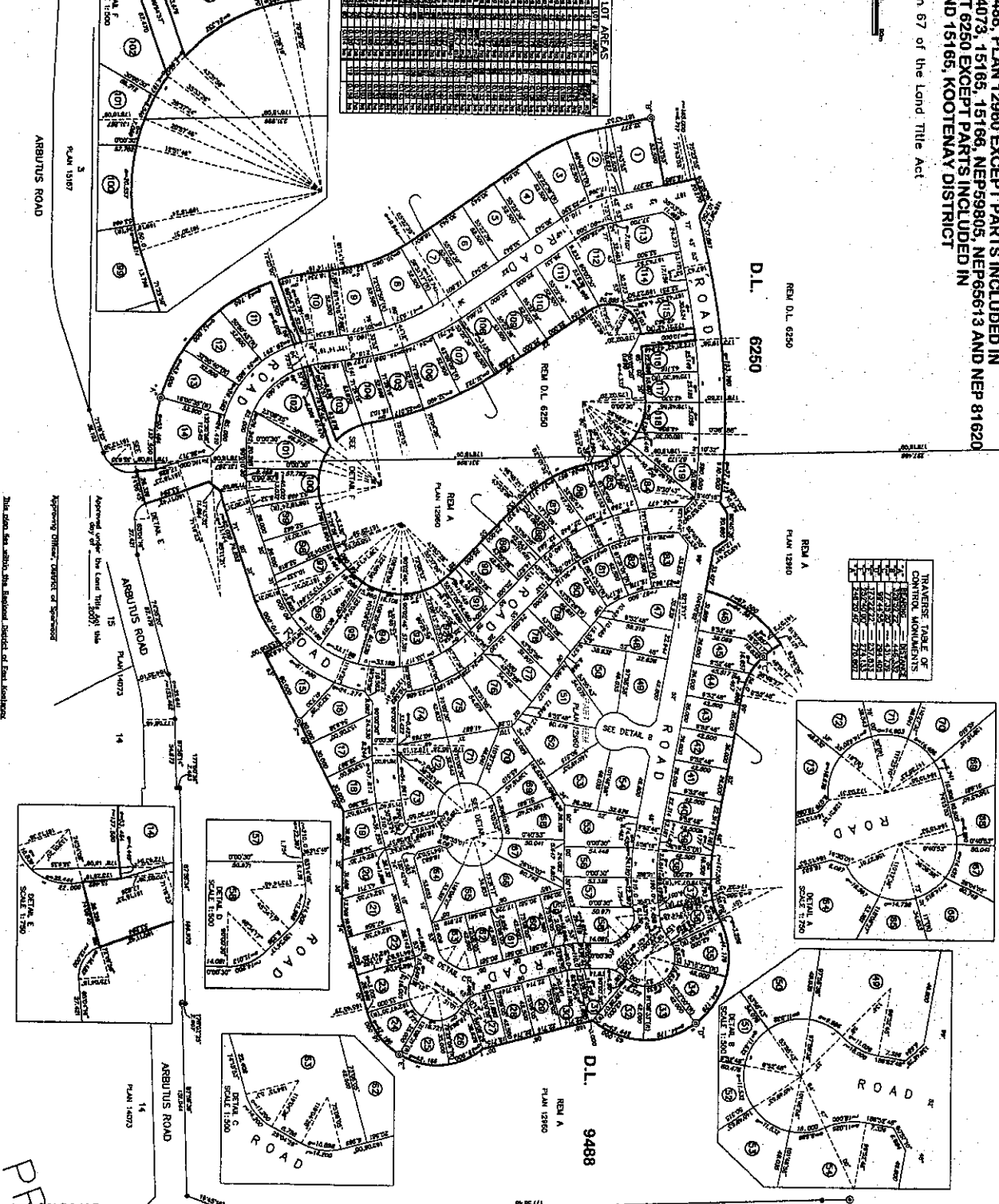
**LOT AREAS**

Lot No.	Area (sq. m)
1	100.00
2	100.00
3	100.00
4	100.00
5	100.00
6	100.00
7	100.00
8	100.00
9	100.00
10	100.00
11	100.00
12	100.00
13	100.00
14	100.00
15	100.00
16	100.00
17	100.00
18	100.00
19	100.00
20	100.00
21	100.00
22	100.00
23	100.00
24	100.00
25	100.00
26	100.00
27	100.00
28	100.00
29	100.00
30	100.00
31	100.00
32	100.00
33	100.00
34	100.00
35	100.00
36	100.00
37	100.00
38	100.00
39	100.00
40	100.00
41	100.00
42	100.00
43	100.00
44	100.00
45	100.00
46	100.00
47	100.00
48	100.00
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75	100.00
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83	100.00
84	100.00
85	100.00
86	100.00
87	100.00
88	100.00
89	100.00
90	100.00
91	100.00
92	100.00
93	100.00
94	100.00
95	100.00
96	100.00
97	100.00
98	100.00
99	100.00
100	100.00

**TRAVERSE TABLE OF CONTROL MONUMENTS**

Station	North	South	East	West
1	100.00			
2		100.00		
3			100.00	
4				100.00
5	100.00			
6		100.00		
7			100.00	
8				100.00
9	100.00			
10		100.00		
11			100.00	
12				100.00
13	100.00			
14		100.00		
15			100.00	
16				100.00
17	100.00			
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DATE: 1998  
 DRAWN BY: J. B. BROWN  
 SCALE: 1:1500  
 07116-SUB



**PLAN NEP**  
 Submitted to the Land Title Office on \_\_\_\_\_, 2007.  
 Registered in the Land Title Office on \_\_\_\_\_, 2007.  
 Registrar

**PRELIMINARY**

I, **David M. B. Brown**, a British Columbia Land Surveyor, do hereby certify that the foregoing plan is a true and correct copy of the original plan as filed with me on \_\_\_\_\_, 2007. My commission expires on \_\_\_\_\_, 2007.

**DAVID M. B. BROWN**  
 Land Surveyor  
 1000-10th Street, Vancouver, B.C. V6Z 2G8  
 Telephone: (604) 681-1111  
 Fax: (604) 681-1112  
 Email: david@dbbrown.com

**REGISTERED**  
 B.C.L.S.

**LEGEND**  
 Boundary are delineated and defined from Plan 7777  
 All distances are in metres  
 (1) Proposed new foot path  
 (2) Existing concrete foot path  
 (3) Proposed concrete foot path  
 (4) Existing concrete foot path  
 (5) Proposed concrete foot path

**TRAVERSE TABLE OF CONTROL MONUMENTS**

Station	North	South	East	West
1	100.00			
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**DECLARATION OF BUILDING SCHEME**

NATURE OF INTEREST: CHARGE: BUILDING SCHEME  
HEREWITH FEE OF \$ \_\_\_\_\_

Address of person entitled to apply to register this building scheme:  
c/o 862-3<sup>rd</sup> Avenue, P.O. Box 1873, Fernie, B.C. V0B 1M0

Full name, address and telephone number of person presenting application:  
LEFFLER LAW OFFICE, Barristers and Solicitors  
c/o 862-3<sup>rd</sup> Avenue, P.O. Box 1873, Fernie, B.C. V0B 1M0 (Phone 250-423-3904)  
File: 3522B

\_\_\_\_\_  
Signature of Applicant or Solicitor or authorized agent

WJ LOTS ULC (Inc. No. A0071765), declares as follows:

1. THAT WJ LOTS ULC is the registered owner in fee simple of the following land (hereinafter collectively called the "Lots" and individually a "Lot"):

Lots 1-119, inclusive  
District Lots 6250 and 9488  
Kootenay District  
Plan NEP \_\_\_\_\_.

2. WJ LOTS ULC hereby creates a building scheme relating to the Lots.
3. A sale of any of the Lots is subject to the restrictions enumerated in the schedule attached hereto.
4. That the restrictions shall be for the benefit of all of the Lots.

Officer Signature(s)

Execution Date  
Y M D

Transferor(s) Signature(s)

WJ LOTS ULC  
By its authorized signatory:

**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.

**CONSENT AND PRIORITY AGREEMENT OF CHARGE HOLDERS:**

I/We, the District of Sparwood, of Box 520, Sparwood, B.C. V0B 2G0, the holders of the following registered charges, consent to the registration of the above Declaration of Building Scheme and agree that it shall have priority over our respective charges.

Officer Signature(s)

Execution Date  
Y    M    D

Transferor(s) Signature(s)

District of Sparwood

By its authorized signatory(ies):

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Mortgage LB83335 and  
Assignment of Rents LB83336, extended by LB267521

**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.

**CONSENT AND PRIORITY AGREEMENT OF CHARGE HOLDERS:**

I/We, Quadrum Mortgage Corp., of 610, 633 – 6th Avenue SW, Calgary, AB T2P 2Y5, the holders of the following registered charges, consent to the registration of the above Declaration of Building Scheme and agree that it shall have priority over our respective charges.

Officer Signature(s)

Execution Date  
Y M D

Transferor(s) Signature(s)  
Quadrum Mortgage Corp.  
By its authorized signatory(ies):

\_\_\_\_\_  
  
\_\_\_\_\_

Mortgage LB256499, modified by LB274646 and  
Assignment of Rents LB256500, extended by LB267522

**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.

## SCHEDULE OF RESTRICTIONS

WJ LOTS ULC is hereinafter referred to as the “**Company**”. Purchasers of the Lots and their successors in title are hereinafter referred to as the “**Owners**”.

No improvement shall be constructed on the Lots unless such improvement complies with the Company's Design Guidelines. Without limiting the generality of the foregoing, the restrictions contained in the Company's Design Guidelines are as follows:

1. No improvement shall be constructed on any of the Lots until a complete set of plans, signed by the Owners, has been deposited with the Company, or its agent or nominee and approval therefor has been obtained as hereinafter provided, it being the intent of these restrictive covenants that all improvements, including dwellings, fences and landscaping are to be controlled as to design, siting, height, set backs, type of materials used and exterior colour schemes. For greater clarity and certainty it is the intent of these restrictive covenants to ensure a variety in setbacks and dwelling types to be built upon the Lots and to ensure that all dwellings and improvements are suited to the particular Lot on which they are to be located.
2. No improvements shall be constructed on the any Lot unless the building form, orientation and massing takes into account the natural landform, drainage patterns, topography, vegetation, views and sun exposure in accordance with the following:
  - (a) the natural grade, sun angles, views and consideration of adjacent land use; and
  - (b) the overview and/or overshadowing of adjacent development is minimized so that the view of an adjacent lot is not impeded or so that an adjacent lot is adversely overlooked; and
  - (c) extensive site grading is avoided by use of steps within the building structure.
3. No site grading shall impact adjacent property and shall not be done in a manner which does not follow the natural slope(s) of the land.
4. No tree(s) shall be removed unless required for the development of the home, driveway and landscaping.
5. No lot shall have more than one driveway connection to the frontage road.
6. Driveways cannot be constructed with any non-permeable materials.
7. No mobile home, trailer, modular unit, nor any building constructed substantially of any metal or according to any A-frame or quonset hut plan shall be placed on any Lot herein described. In addition no trailer, garage or other out-building shall be used for either permanent or temporary residence other than contemplated in the Municipal zoning requirements.
8. No lot shall be subdivided.

9. No building shall be erected or placed on any of the Lots unless the same shall be completed within twenty-four (24) months from the date of commencement. For the purposes of this building scheme "completed" shall mean completion of the building exterior, driveway, and landscape areas (to include grading).
10. No aluminum garage doors shall be permitted on any of the Lots.
11. No improvement shall be constructed that is not in compliance with the By-laws of the District of Sparwood or of the obligations or liabilities imposed by statute or the common law on owners or occupiers of land, all of which shall be duly observed and complied with.
12. No vinyl or aluminum siding may be used as material for finishing exterior walls.
13. No roof may be constructed unless it has a minimum roof pitch of 4/12.
14. No unshielded light fixtures or non-focussed fixtures are permitted.
15. No chimney shall be allowed unless the protruding amount of such chimney is less than 2'6" (0.75 meters). No portion of the chimney that is visible from the exterior may be comprised of anything other than black metal finish, stone or wood.
16. No exhaust vent, fan, air handling unit or elevator penthouse will be allowed unless it is screened from view of public areas.
17. No flagpoles are allowed on Single Family Lots.
18. No garbage receptacle, incinerator or compost heap shall be kept on any Lot herein described unless the same is screened from view at all times.
19. No outdoor clothes lines or poles shall be permitted on any of the Lots.
20. No satellite dish over 19" in diameter shall be permitted on any of the Lots.
21. No television, radio or other antennae shall be constructed on the exterior of any building or on any part of the Lots.
22. No billboard or sign of any character shall be erected, posted, pasted or displayed upon or about any part of the Lot or Lots or upon or in any buildings on the Lot or Lots hereby purchased, other than "For Sale" signs no larger than 18" x 30", PROVIDED that nothing in this clause contained shall prevent the Owner erecting or displaying a sign showing his name and/or street address so long as the dimensions of such sign does not exceed two feet by six inches (2' x 6") and is approved by the Company or its' Design Review Panel.
23. No glass block windows or Jalousie windows are permitted within any improvement on the Lots.

24. No exterior signage shall be allowed on the Lots unless such signage is comprised of solid materials. Signs may utilize front lighting, but must not utilize backlighting or halo lighting. Neon signs are not permitted on the Lots.
25. No fence may be erected on any Lot that is contiguous to the golf course or that is contiguous to any golf course water hazard.
26. No person shall habitually park or cause to be habitually parked in or about the building site or the Lot or Lots any large commercial vehicles or machinery in the nature of logging trucks, bulldozers or the like conveyances, PROVIDED that this clause shall not be deemed to affect or prohibit the parking for the specified purpose of doing construction or maintenance work upon the said lands for the improvement and benefit thereof, or of commercial vehicles parked temporarily for the purposes of conducting their regular business in or about the said lands.
27. No Lot shall be used for any purpose or purposes which are or will be offensive to the owner or occupant of any other lot and, without restricting the foregoing, no noisy, obnoxious, offensive or immoral activity shall be permitted on any of the Lots.
28. No condoning, excusing, or waiver by the Declarant of and default, breach or non-observance by any other person at any time or times in respect of any provision herein contained shall operate as a waiver in respect of any continuing or subsequent default, breach or non-observance, or so as to defeat or affect in any way the rights of any person in respect of such continuing default, breach or non-observance, and no waiver shall be inferred or implied by anything done or omitted to be done by the person having such rights.
29. No improvement shall be constructed that is not in compliance with the By-laws of the District of Sparwood or of the obligations or liabilities imposed by statute or the common law on owners or occupiers of land, all of which shall be duly observed and complied with.
30. No improvement or Lot shall be allowed to become in disrepair or unsightly or untidy, it being the intent of these covenants that all of the Lots and improvements thereon shall be maintained at all times in a neat and attractive state and condition, and no motor vehicle of any sort may be stored on the Lot unless the same is stored in the driveway or garage on the Lot and unless the same bears a current year's motor vehicle license plate. Recreational vehicles may not be stored on the Lots and may only be stored in designated recreational vehicle parking areas.
31. The restrictions and benefits imposed and conferred upon the Lots are hereby declared to be for the mutual benefit and advantage of all the Lots and the Owners from time to time, and any Owner may commence, take or prosecute an action, suit or proceeding in any court of competent jurisdiction for the enforcement of any restriction or benefit imposed or conferred upon the Lots by this Building Scheme.
32. Should any part of this Building Scheme be declared or held invalid or unenforceable for any reason, such invalidity or unenforceability shall not effect the remainder of this Building Scheme which shall continue in full force and effect and be construed as if this Building Scheme had been declared without such invalid or unenforceable part.
33. The benefits herein shall enure to the benefit of the Declarant, its successors and assigns.

34. No action or failure to take action hereunder shall render the Declarant liable in any way whatsoever.
35. If any of the terms of this Schedule of Restrictions should conflict with the terms contained in the Company's Design Guidelines, the terms contained in the Company's Design Guidelines shall prevail.

END OF DOCUMENT

Exhibit 'C'

LAND TITLE ACT  
FORM C  
(Section 219.81)  
Province of British Columbia  
GENERAL INSTRUMENT - PART 1

(This area for Land Title Office use) Page 1 of 7 pages

1. APPLICATION: (Name, address, phone number and signature of applicant, applicant's solicitor or agent)  
LEFFLER LAW OFFICE, CLIENT NO. 10959 FILE: 3522L  
Box 1873 , Fernie , B.C., V0B 1M0 Telephone 423-3904

GORDON LEFFLER

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND  
PID LEGAL

Lots 1-119, District Lots 6250 and 9488, Kootenay District, Plan NEP

3. NATURE OF INTEREST:\*

DESCRIPTION	DOCUMENT REFERENCE	PERSON ENTITLED TO INTEREST
Rent Charge	ENTIRE DOCUMENT	TRANSFEEE

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

- |     |                             |       |                                       |
|-----|-----------------------------|-------|---------------------------------------|
| (a) | Filed Standard Charge Terms | [ ]   | D.F. No.                              |
| (b) | Express Charge Terms        | [ X ] | Annexed as Part 2                     |
| (c) | Release                     | [ ]   | there is no Part 2 of this instrument |

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in item 3 is released or discharged as a charge on the land described in Item 2.

5. TRANSFEROR(S):\*

WJ LOTS ULC (INC. NO. A0071765), of P.O. Box 1869, Sparwood, B.C. V0B 2G0.

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

WJ LOTS ULC (INC. NO. A0071765), of P.O. Box 1869, Sparwood, B.C. V0B 2G0.

7. ADDITIONAL OR MODIFIED TERMS:\*

See Schedule

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  
Y M D

Party(ies) Signature(s)

WJ LOTS ULC  
by its authorized signatory(ies)

Name:

Name:

\*\* as to both 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.

\* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

\*\* If space insufficient, continue executions on additional page(s) in Form D.

**LAND TITLE ACT  
FORM D**

**EXECUTIONS CONTINUED**

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Officer Signature(s)	Execution Date Y M D	Transferee(s) Signature(s) WJ LOTS ULC by its authorized signatory(ies)
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Name:

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Name:

**\*\* as to both 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.

**WHEREAS:**

- A. The Grantor is the owner of the Lands (as hereinafter defined) which are within the boundaries of the District of Sparwood;
- B. The Grantor intends to create on the Lands a Golf Course Resort Community (as hereinafter defined);
- C. The Grantee intends to provide certain services, in addition to the services provided by the District of Sparwood, to the Golf Course Resort Community;
- D. In order to provide the Grantee with funds to enable it to provide the services referred to in recital C, the owners of certain lands within the Golf Course Resort Community, including the Grantor, have agreed to grant to the Grantee a rent charge on the basis herein described.

**NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the premises and of the sum of \$10.00 and other good and valuable consideration paid by the Grantee to the Grantor (the receipt and sufficiency of which is hereby acknowledged), it is hereby agreed between the Grantor and the Grantee as follows:**

**PART 1 DEFINITIONS AND INTERPRETATION**

1.01 Definitions - in this Indenture, unless the context otherwise requires:

“Annual Rate” means up to 1.0% of the Assessed Value;

“Assessed Value” means:

- (a) If the British Columbia Assessment Authority, or its successor, establishes an assessed value for tax purposes, the assessed value, from time to time, of only the Improvements on the Lands;
- (b) If no assessed value is established by the B.C. Assessment Authority or its successor or if no successor exists, the fair market value of only the Improvements on the Lands as established by the Grantee or an arbitrator in accordance with Section 4.01;

“Golf Course Resort Community” means an area comprised of the following:

P.I.D. 027-789-101

Lot 1, District Lots 4135, 6250, 6666, 7781, 8525, 9488, 9489, 12749 and 12750,  
Kootenay District, Plan NEP88161

“Lands” means the following lands together with all easements, rights and appurtenances belonging thereto: Lots 1-119, District Lots 6250 and 9488, Kootenay District, Plan NEP \_\_\_\_\_, or any one of them;

“Rent charge” means the rent charge created by this Indenture and described in section 2.01;

“year” means a calendar year, commencing January 1st and terminating December 31st.

- 1.02 Headings - The headings herein are inserted for convenience of reference only and shall not affect the construction or interpretation of this Indenture.
- 1.03 Governing Law - This Indenture shall be governed by, and construed in accordance with, the laws of the Province of British Columbia.
- 1.04 Submission to Jurisdiction - The Grantor and the Grantee submit to the jurisdiction of the Courts of the Province of British Columbia and agree to be bound by any suit, action or proceeding commencing in such courts and by an order or judgment resulting from such suit, action or proceeding, provided however that the foregoing shall in no way limit the rights of the Grantee to commence suit, action or proceedings based on this Indenture in any jurisdiction.
- 1.05 Including Words - Wherever the singular or masculine is used herein the same shall be deemed to include the plural or the feminine or the body corporate where the context so requires.

## **PART 2 THE RENT CHARGE**

- 2.01 The Rent Charge - The Grantor hereby conveys and grants unto the Grantee in fee simple a perpetual yearly sum by way of rent charge of the Annual Rate of the Assessed Value of the Lands for the year in which the Rent Charge is payable.
- 2.02 Payment - The Rent Charge shall be paid to the Grantee in each year on or before July 2 in that year.
- 2.03 Place of Payment - The Rent Charge shall be paid to the Grantee at such place as the Grantee may advise the Grantor in writing, and failing such advice shall be paid at the registered office of the Grantee in effect from time to time.
- 2.04 Charge - The Rent Charge shall be charged upon the Lands, shall charge the Lands, shall run with the Lands and shall be binding upon the owner for the time being of the Lands.
- 2.05 Promise to Pay - The Grantor hereby covenants with the Grantee that the Grantor and all persons deriving title to the Lands or any portion thereof will at all times hereafter pay to the Grantee and persons deriving title from the Grantee the Rent Charge at the times and in the manner herein provided.

- 2.06 Commencement - Notwithstanding the date of execution of this rent charge, the first payment of the Rent Charge shall be payable on or before July 2 of the year in which the Grantee, in its sole discretion, elects to commence collection of the rent charge as contemplated herein.
- 2.07 Purpose & Application – The Grantee shall provide services to the Golf Course Resort Community based on an annual budget promulgated by the Grantee & circulated to all owners of Lands as described herein, provided that in the event that owners of the Lands create a legal entity which represents them, then in such event the legal entity so created shall represent all owners of lands in consultation with the Grantee in order to create a mutually agreeable budget for the services.

### **PART 3 SERVICES AND BUDGET**

- 3.01 The services to be provided by the Grantee shall be such services as the Grantee may from time to time agree to provide and budget for, and may include, inter alia, the following:
- (a) The operation, maintenance, repair and replacement of public amenities and services;
  - (b) The inspection, maintenance, repair and replacement of landscaping in and about the Golf Course Resort Community which is not on private land;
  - (c) The maintenance of a common standard of lawn care, including cutting and weed control, on each private lot within the Golf Course Resort Community;
  - (d) The inspection, maintenance, repair and replacement of cross-country ski trails, public walkways, pathways and trails;
  - (e) The removal of snow from driveways and other areas within the Golf Course Resort Community where such maintenance is not the responsibility of any governmental body;
  - (f) A contribution to the marketing and promotion of the Golf Course Resort Community and the golf course within the Golf Course Resort Community, including but not limited to seasonal decorating on non-private areas, the display of signs and banners, event promotion, and similar activities;
  - (g) The provision of security within the Golf Course Resort Community;
  - (h) Such other services as the parties may from time to time agree to include.
- 3.02 A budget for the provision of services as herein set out shall be established from year to year by a consultative process between the Grantee and any formally authorized and legally constituted representative(s) of the owners of the Lands, PROVIDED THAT until such time as there exists such a duly authorized and legally constituted representative(s) of the owners of the Lands, the Grantee shall deliver, by regular mail which mail shall be deemed received 3 days after mailing, its proposed budget to all of the owners of the Lands, and unless written objections, including the reasons for such objection, are received within 30 days from at least 50% of the said owners, such budget will be deemed to be approved and the amount of the budget will be divided amongst the owners

of the lots comprising the Lands in accordance with the Assessed Value of each such lot. If 50% or more of the said owners object, then the Grantee shall revise and resubmit the budget to all owners for approval in the manner outlined above, including the notice of objection process as outlined above. Such process shall continue until less than 50% of the said owners object to the budget submitted by the Grantee.

#### **PART 4      REMEDIES**

4.01 Remedies - If the Rent Charge is more than 21 days in arrears the Grantee may have recourse to any one or more or all of the following remedies from time to time so as to recover and compel payment of the Rent Charge, including necessary costs and expenses:

- (a) to sue the Grantor;
- (b) to sue the owner, for the time being, of the Lands;
- (c) to levy distress upon the Lands;
- (d) to enter and take possession of the Lands and apply the income from the Lands against what is owing to the Grantee and upon the Grantee recovering what is owing, to let the Grantor back into possession of the Lands;
- (e) to lease the Lands to a trustee for a term not to exceed 21 years and under the terms of such trust permit the trustee to sublease the Lands or any portion thereof and receive income therefrom and to apply such income to what is owing to the Grantee and to otherwise deal with the Lands as would a receiver and manager;
- (f) to seek appointment of a receiver for the Lands who may receive the income therefrom and apply such income to what is owing to the Grantee and to otherwise deal with the Lands as receiver;
- (g) to compel a sale of the Lands;
- (h) to compel a mortgage of the Lands; and
- (i) to prove a claim upon a bankruptcy or winding-up.

4.02 Entry and Forfeiture - if the Rent Charge is more than 4 years in arrears then in addition to the remedies in section 4.01, the Grantee may enter and take absolute possession of the Lands and upon such entry all right, title, interest and equity of the Grantor in and to the Lands shall be forfeited to the Grantee absolutely; PROVIDED HOWEVER this right of re-entry shall only be exercisable by the Grantee during the lives and life of the living descendants of Her Majesty the Queen Elizabeth the Second and the last survivor of them, and such further period thereafter, if any, as shall be consistent with the law against perpetuities.

#### **PART 5      GENERAL**

5.01 Arbitration - If, pursuant to clause (b) of the definitions of "Assessed Value", the Grantee determines the fair market value of the Lands the Grantee shall forthwith advise the Grantor in writing of that fair market value. If, within 14 days of receipt of that notice, the Grantor does not agree that value established by the Grantee is the fair market value

of the Lands, the Grantor, by notice in writing to the Grantee delivered prior to the expiration of the said 14 day period, may refer the matter to the arbitration and the matter shall be determined in accordance with the provisions of the Commercial Arbitration Act of the Province of British Columbia or any amendment substituted therefor.

- 5.02 The parties agree that the Grantee herein may assign this agreement and the rights, privileges and obligations of the Grantee hereunder to any other party, without notice to, or the consent of, the Grantor.
- 5.03 The parties agree that the Grantor herein may assign this agreement and the rights, privileges and obligations of the Grantor hereunder to any other party, without notice to, or the consent of, the Grantee.
- 5.04 Subdivision - This Rent Charge shall apply to every part of lot into which the Lands are or may hereafter be subdivided and shall be read and construed in connection with such part of lot mutatis mutandis.
- 5.05 Enurement - This Indenture and all its provisions shall enure to the benefit of the Grantee and its successors and assigns and shall be binding upon the Grantor and its successors and assigns.

IN WITNESS WHEREOF the Grantor has executed this Indenture under seal on the date above written.

END OF DOCUMENT

Exhibit 'D'

LAND TITLE ACT

FORM C

(Section 219.81)

Province of British Columbia

GENERAL INSTRUMENT - PART 1

(This area for Land Title Office use) Page 1 of 7 pages

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

GORDON LEFFLER, Lawyer, CLIENT NO. 10959 FILE: 3522L

Box 1873, Fernie, B.C., V0B 1M0 Telephone 423-3904

GORDON LEFFLER

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND

PID LEGAL

Lots 1-119, District Lots 6250 and 9488, Kootenay District, Plan NEP

3. NATURE OF INTEREST:\*

DESCRIPTION

Easement

DOCUMENT REFERENCE

ENTIRE DOCUMENT

PERSON ENTITLED TO INTEREST

REGISTERED OWNER OF

PID: 027-789-101

Lot 1, District Lots 4135, 6250, 6666, 7781,

8525, 9488, 9489, 12749 and 12750,

Kootenay District, Plan NEP88161, except

Plan NEP

(the "Dominant Tenement")

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

(a) Filed Standard Charge Terms [ ] D.F. No.

(b) Express Charge Terms [ X ] Annexed as Part 2

(c) Release [ ] there is no Part 2 of this instrument

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in item 3 is released or discharged as a charge on the lan described in Item 2.

5. TRANSFEROR(S):\*

WJ LOTS ULC (INC. NO. A0071765), of P.O. Box 1869, Sparwood, B.C. V0B 2G0.

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

WJ LOTS ULC (INC. NO. A0071765), of P.O. Box 1869, Sparwood, B.C. V0B 2G0.

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

Execution Date

Y M D

Transferor(s) Signature(s)

WJ LOTS ULC

by its authorized signatory(ies)

Name:

Name:

\*\* as to both 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.

\* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

\*\* If space insufficient, continue executions on additional page(s) in Form D.

LAND TITLE ACT  
FORM D

EXECUTIONS CONTINUED

Page 2 of 7

Officer Signature(s)

Execution Date  
Y M D

Transferee(s) Signature(s)  
WJ LOTS ULC  
by its authorized signatory(ies)

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

\*\* as to both 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.

**TERMS OF INSTRUMENT - Part 2**

THIS AGREEMENT made the \_\_\_ day of \_\_\_\_\_, 2009.

BETWEEN:

WJ LOTS ULC, (Inc. #A0071765)  
P.O. Box 1869  
Sparwood, B.C.  
VOB 2G0

(hereinafter called the "Grantor")

OF THE FIRST PART

AND:

WJ LOTS ULC, (Inc. #A0071765)  
P.O. Box 1869  
Sparwood, B.C.  
VOB 2G0

(hereinafter called the "Grantee")

OF THE SECOND PART

WHEREAS:

A. The Grantor is the registered owner of certain lands and premises situate in the District of Sparwood, Province of British Columbia, and being more particularly known and described on Schedule 'A' hereto (hereinafter referred to as the "Servient Tenement").

B. The Grantee is the owner of certain lands and premises situate in the District of Sparwood, Province of British Columbia, and being more particularly known and described as Lot 1, District Lots 4135, 6250, 6666, 7781, 8525, 9488, 9489, 12749 and 12750, Kootenay District, Plan NEP88161, except Plan NEP \_\_\_\_\_ (the "Dominant Tenement").

C. The Grantee requires access through the Servient Tenement for the purpose of maintaining the lawns and clearing snow from the driveways on the Servient Tenement.

D. The Grantor has agreed to grant the easement hereinafter described.

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the sum of Ten (\$10.00) Dollara and for other good and valuable consideration (the receipt and sufficiency whereof is hereby acknowledged) the parties hereto covenant, promise and agree with each other as follows:

1. The Grantor does, for itself, its successors and assigns, hereby give and grant to the Grantee, the full, free and uninterrupted right, liberty, privilege and easement, at all times hereafter and at its will and pleasure, to

enter on and pass and repass upon and over for the purpose of maintaining the lawns and clearing snow from the driveways on the Servient Tenement (the "Easement Area").

2. NOTHING in this Agreement shall be held to restrict the Grantor from using the Servient Tenement in any manner which does not interfere with the rights hereby provided.

3. IT IS MUTUALLY understood and agreed by and between the parties hereto that this Agreement shall be construed as a covenant running with the Land.

4. THE GRANTEE covenants to repair the surface and any works or thing under the Easement Area, at its own expense, should damage result from its exercising of its rights hereby provided.

6. IT IS UNDERSTOOD and agreed that the Grantee shall have the rights to enter the Easement Area for the purposes set out herein, but this agreement shall not obligate the Grantee to carry out the lawn maintenance and clearing of snow from the driveways on the Servient Tenement.

7. THE GRANTEE shall be entitled at its sole discretion to assign all or any of the rights hereby granted to any party that is, or may become, obligated to perform the lawn maintenance and snow clearing contemplated herein.

8. WHEREVER the singular and masculine are used, the same shall be construed as meaning the plural or the feminine or the body politic or corporate where the context or the parties hereto so require.

9. IN WITNESS WHEREOF the parties hereto have duly executed this Agreement by signing the Form C, General Instrument - Part 1 to which this Agreement is attached and forms part.





PID: _____	Lot 95, District Lot 9488, Kootenay District, Plan NEP _____
PID: _____	Lot 96, District Lot 9488, Kootenay District, Plan NEP _____
PID: _____	Lot 97, District Lot 9488, Kootenay District, Plan NEP _____
PID: _____	Lot 98, District Lot 9488, Kootenay District, Plan NEP _____
PID: _____	Lot 99, District Lot 9488, Kootenay District, Plan NEP _____
PID: _____	Lot 100, District Lot 9488, Kootenay District, Plan NEP _____
PID: _____	Lot 101, District Lots 6250 and 9488, Kootenay District, Plan NEP _____
PID: _____	Lot 102, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 103, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 104, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 105, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 106, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 107, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 108, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 109, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 110, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 111, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 112, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 113, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 114, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 115, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 116, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 117, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 118, District Lot 6250, Kootenay District, Plan NEP _____
PID: _____	Lot 119, District Lots 6250 and 9488, Kootenay District, Plan NEP _____

END OF DOCUMENT

LAND TITLE ACT  
FORM C

(Section 219.81)

Province of British Columbia

GENERAL INSTRUMENT - PART 1

Exhibit 'E'

(This area for Land Title Office use) Page 1 of 5 pages

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

LEFFLER LAW OFFICE, CLIENT NO. 10959 FILE: 3522L  
Box 1873 , Fernie , B.C., V0B 1M0 Telephone 423-3904

GORDON LEFFLER

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND

PID LEGAL

SEE SCHEDULE

3. NATURE OF INTEREST:\*

DESCRIPTION

Restrictive Covenant

DOCUMENT REFERENCE

ENTIRE DOCUMENT

PERSON ENTITLED TO INTEREST

REGISTERED OWNER OF

PID: 027-789-101

Lot 1, District Lots 4135, 6250, 6666, 7781,  
8525, 9488, 9489, 12749 and 12750,

Kootenay District, Plan NEP88161, except  
Plan NEP \_\_\_\_\_

(the "Dominant Tenement")

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

- (a) Filed Standard Charge Terms [ ] D.F. No.
- (b) Express Charge Terms [ X ] Annexed as Part 2
- (c) Release [ ] there is no Part 2 of this instrument

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in item 3 is released or discharged as a charge on the lan described in Item 2.

5. TRANSFEROR(S):\*

WJ LOTS ULC (INC. NO. A0071765), of P.O. Box 1869, Sparwood, B.C. V0B 2G0.

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

WJ LOTS ULC (INC. NO. A0071765), of P.O. Box 1869, Sparwood, B.C. V0B 2G0.

7. ADDITIONAL OR MODIFIED TERMS:\*

See Schedule

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

Y M D

Party(ies) Signature(s)

WJ LOTS ULC

by its authorized signatory(ies)

Name:

Name:

\*\* as to both 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.

\* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

\*\* If space insufficient, continue executions on additional page(s) in Form D.

*LAND TITLE ACT*  
**FORM D**

**EXECUTIONS CONTINUED**

Page 2 of 5

Officer Signature(s)

Execution Date  
Y M D

Transferee(s) Signature(s)  
WJ LOTS ULC  
by its authorized signatory(ies)

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Name:

\*\* as to both 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.

---

Enter the required information in the same order as the information must appear on the Freehold Transfer Form, Mortgage Form or general Document Form.

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND  
PID                      LEGAL

Lots 1-119, District Lots 6250 and 9488 , Kootenay District, Plan NEP \_\_\_\_\_

**Terms of Instrument - Part 2**

**Restrictive Covenant**

THIS AGREEMENT made this \_\_\_\_ day of \_\_\_\_\_, 2009.

BETWEEN: WJ LOTS ULC (INC. NO. A0071765)  
BOX 1869  
SPARWOOD, B.C.  
V0B 2G0

(hereinafter called the "Grantor")

OF THE FIRST PART

AND:

WJ LOTS ULC (INC. NO. A0071765)  
BOX 1869  
SPARWOOD, B.C.  
V0B 2G0

(hereinafter called the "Grantee")

OF THE SECOND PART

WHEREAS:

A. The Grantor is the registered owner in fee simple of those lands and premises situated in the District of Sparwood, British Columbia and more particularly described as:

PID: Lots 1-119, District Lots 6250 and 9488 , Kootenay District, Plan NEP \_\_\_\_\_  
(hereinafter called the "Lots");

B. The Grantee is the registered owner of those lands and premises known as Lot 1, District Lots 4135, 6250, 6666, 7781, 8525, 9488, 9489, 12749 and 12750, Kootenay District, Plan NEP88161, except Plan NEP \_\_\_\_\_ (the "Lands"). The Grantee, as the owner/developer of a golf course development in the vicinity of the Lots, has an interest in maintaining uniformity of lot size and layout.

C. It is in the mutual interest of both the Grantor and Grantee that the parties enter into this Restrictive Covenant.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the sum of TEN (\$10.00) DOLLARS of lawful money of Canada and other good valuable consideration paid by the Grantee to the Grantor, the receipt of which is hereby acknowledged, the Grantor does hereby covenant and agree with the Grantee under Section 221 of the *Land Title Act* of the Province of British Columbia as follows:

1. The Grantor hereby covenants and agrees with the Grantee, as a covenant in favour of the Grantee pursuant to Section 221 of the *Land Title Act*, it being the intention and agreement of the Grantor that the provisions hereof be annexed to and run with and be a charge upon the Lots, that from and after the date hereof:
  - (a) No person shall subdivide any of the Lots.
2. Nothing in this Agreement shall prejudice or affect the rights, powers and remedies of the Grantee in relation to the Grantor, including his heirs, executors, administrators, successors and assigns, 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 Grantee as if this Agreement had not been made by the parties.
3. The Grantor shall 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 Agreement.
4. 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.
5. 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.
6. This Agreement shall be interpreted according to the laws of the Province of British Columbia.
7. Where there is a 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.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the day and year first above written.

SIGNED, by the Grantor,  
in the presence of:

) WJ LOTS ULC  
) by its authorized signatory(ies):  
)  
)  
)  
)  
)  
)  
)

\_\_\_\_\_

\_\_\_\_\_

Exhibit 'F'

LAND TITLE ACT  
FORM C (Section 219.81)  
Province of British Columbia  
GENERAL INSTRUMENT - PART 1

(This area for Land Title Office use)

Page 1 of \_\_\_\_\_ pages

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

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND  
PID LEGAL

3. NATURE OF INTEREST:\*

DESCRIPTION	DOCUMENT REFERENCE (page and paragraph )	PERSON ENTITLED TO INTEREST
Option to Purchase	Entire Document	Transferee

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

- (a) Filed Standard Charge Terms [ ] D.F. No.
- (b) Express Charge Terms [ X ] Annexed as Part 2
- (c) Release [ ] There is no Part 2 of this instrument

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in item 3 is released or discharged as a charge on the land described in Item 2.

5. TRANSFEROR(S):\*

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

**WJ LOTS ULC ( Inc. # A0071765)**, of P.O. Box 1869, Sparwood, BC V0B 2G0.

7. ADDITIONAL OR MODIFIED TERMS:\*

NONE

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 Y M D	Transferor(s) Signature(s)
_____	_____	_____
_____	_____	_____

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.

\* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E  
\*\* If space insufficient, continue execution on additional page(s) in Form D.

LAND TITLE ACT  
FORM D

EXECUTIONS CONTINUED

Page of PAGES

Officer Signature(s)

EXECUTION DATE  
Y M D

Transferor/Borrower/Party Signature  
**ALL SIGNATURES IN BLACK INK**

WJ LOTS ULC  
By its authorized signatory(ies)

---

**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.

\* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E

\*\* If space insufficient, continue execution on additional page(s) in Form D.

**OPTION TO PURCHASE**

WHEREAS:

- A. The Grantor is the registered owner in fee simple of the Land (as defined herein); and
- B. The Grantor has agreed to grant to the Grantee an option to purchase the Land on the terms and conditions of this option.

NOW THEREFORE this option witnesses that in consideration of the sum of \$10.00 now paid by the Grantee to the Grantor, the receipt of which is acknowledged, the parties agree as follows:

**ARTICLE I DEFINITIONS**

1.01 In this option:

"Land" means the land in the District of Sparwood legally known and described as:

PID \_\_\_\_\_

Lot \_\_\_\_, District Lot \_\_\_\_\_, Kootenay District, Plan NEP \_\_\_\_\_

"Land Title Office" means the Kamloops Land Title Office;

"Permitted Encumbrances" means those liens, charges and encumbrances listed in Schedule "A";

"Purchase Price" means a dollar amount equal to 90% of the purchase price paid by the Grantee to the Grantor at the time the Grantee purchased the Land from the Grantor;

"Transfer" means a Form A Freehold Transfer of an Estate in Fee Simple.

**ARTICLE II OPTION**

2.01 The Grantor grants to the Grantee the full and exclusive first right and option, irrevocable within the time limited by this option, to purchase the Land for the Purchase Price, free and clear of all liens, charges and encumbrances, except for the Permitted Encumbrances.

2.02 It is agreed that the option to purchase granted hereby will only be exercisable by the Grantee if the Grantor:

- (a) does not commence construction on the Land of a single family dwelling (herein called the "Dwelling") by that date which is sixty (60) months after the date of application for registration of this option in the Land Title Office; or
- (b) having commenced construction of the Dwelling, does not substantially complete the same to the satisfaction of a duly appointed officer of the Grantee, acting reasonably, within twelve (12) months after the date of application for registration of this option in the Land Title Office. For the purposes of this clause, substantial completion of the Dwelling will require completion of the building exterior, driveway, and landscape areas (to include grading), and that such construction be concluded in accordance with the National Building Code and the Design Guidelines attached to Statutory Building Scheme to be registered in the Land Title Office.

- 2.03 Upon the Grantee becoming entitled to exercise this option to purchase by reason of the failure of the Grantor to meet the conditions described in paragraph 2.02, this option to purchase may be exercised by the Grantee at any time within two (2) years of the date that the Grantee becomes entitled to exercise the option as above, by notice in writing delivered by hand or by courier to the Grantor.
- 2.04 Upon the satisfaction by the Grantor of the conditions described in paragraph 2.02 or if the Grantee fails to exercise the option to purchase as required herein (after becoming entitled to do so) then this option to purchase shall lapse and be of no further force and effect and the Grantor will be entitled to a release and discharge of this option to purchase from title to the Land.

### ARTICLE III CONVEYANCE OF LAND ON EXERCISE OF OPTION

- 3.01 If this option is exercised, a binding agreement for the purchase and sale of the Land will be constituted on the following terms and conditions:
- (a) The completion date of the sale (the "**Completion Date**") will be the 30th day after the date upon which the notice to exercise this option is delivered to the Grantor, and on the Completion Date, the Grantee shall pay the Purchase Price to the Grantor;
  - (b) Payment of the Purchase Price may be effected by bank draft or solicitor's trust cheque, and shall be effected by courier, wire transfer or direct deposit to the Grantor's solicitor's trust account, or by hand;
  - (c) The Purchase Price may be delivered to the Grantor's solicitor on undertakings to discharge existing encumbrances, other than the Permitted Encumbrances;
  - (d) Prior to the Completion Date, the Grantor will execute and deliver to the Grantee's solicitor in trust, against an undertaking to pay the Purchase Price, all such documents as may be required to effect a transfer of the Land from the Grantor to the Grantee;
  - (e) The Grantee shall have possession of the Land on the Completion Date;
  - (f) Time shall be of the essence to the agreement of purchase and sale which arises from the exercise of this option to purchase.

### ARTICLE IV COVENANTS OF THE GRANTOR

- 4.01 During the term of this option:
- (a) the Grantor will pay all taxes, rates, levies and assessments that may be levied, charged or assessed in respect of the Land;
  - (b) the Grantor will not grant an option to purchase the Land to any person.

ARTICLE V MISCELLANEOUS

- 5.01 Time is of the essence of this option and any agreement of purchase and sale that may arise out of the exercise of this option.
- 5.02 If an agreement for the purchase and sale of the Land results from the exercise of this option, the Land will be at the risk of the Grantor until the Grantee has applied to the Land Title Office to register the Transfer.
- 5.03 Any document or written notice to be served upon or given to either the Grantor or the Grantee pursuant to this agreement shall be sufficiently served and given if delivered, sent by facsimile transmission or mailed, prepaid and registered:
- (a) in case of the Grantee:
- WJ LOTS ULC, P.O. Box 1869, Sparwood, BC V0B 2G0, If Faxed: 250-425-0004  
Attention: Stuart Koch
- (b) in the case of the Grantor:
- 5.04 Either party may, by notice in writing to the other, specify another address for service of notices under this agreement, and where another address is specified under this section, notice shall be mailed to that address in accordance with this Article.
- 5.05 This option enures to the benefit of and is binding upon the parties, their respective heirs, successors and assigns.
- 5.06 This option may be assigned by the Grantee, at its sole discretion.
- 5.07 This option is governed by and shall be construed in accordance with the laws of the Province of British Columbia.
- 5.08 Wherever the singular or the masculine is used in this option it will be construed as the plural or feminine or neuter, as the case may be, and vice versa where the context or parties so require.

SCHEDULE "A"

**PERMITTED ENCUMBRANCES**

"Permitted Encumbrances" means:

- (a) Covenant LB80850, extended by LB267516, in favour of the District of Sparwood;
- (b) Covenant LB80851, extended by LB267517 and LB267519, in favour of the District of Sparwood;
- (c) Covenant LB80852, extended by LB267518, in favour of the District of Sparwood;
- (d) Statutory Building Scheme as registered by the Grantor in the Land Title Office;
- (h) Restrictive Covenant as registered by the Grantor in the Land Title Office;
- (i) Rent Charge as registered by the Grantor in the Land Title Office;
- (j) Easement as registered by the Grantor in the Land Title Office;
- (k) Any other non-financial encumbrances required under the subdivision process, including conservation easements or easements required by the Municipality.

END OF DOCUMENT

EXHIBIT "G"

WHISKEYJACK

CONTRACT OF PURCHASE AND SALE

Date of Offer: \_\_\_\_\_

The Vendor: WJ LOTS ULC (Inc. No. A0071765) (the "Vendor")

1.1 The Purchaser(s):

Full Name: \_\_\_\_\_
Address: \_\_\_\_\_
Email: \_\_\_\_\_ Fax: \_\_\_\_\_
Tel (Home): \_\_\_\_\_ Work: \_\_\_\_\_
Occupation: \_\_\_\_\_

Full Name: \_\_\_\_\_
Address: \_\_\_\_\_
Email: \_\_\_\_\_ Fax: \_\_\_\_\_
Tel (Home): \_\_\_\_\_ Work: \_\_\_\_\_
Occupation: \_\_\_\_\_

This Purchaser (is/is not) resident in Canada
for purposes of the Income Tax Act.

This Purchaser (is/is not) resident in Canada
for purposes of the Income Tax Act.

1.2 Purchaser's Solicitor: (if known) \_\_\_\_\_

1.3 Offer: The Purchaser hereby offers to purchase from the Vendor the following:

The lot to be known as Lot \_\_\_\_\_, District Lot \_\_\_\_\_, Kootenay District, Plan \_\_\_\_\_,
and situated in the Whiskeyjack Resort Development Community, located in Sparwood, British
Columbia, and more particularly described in the Disclosure Statement as hereinafter defined.

Civic Address: \_\_\_\_\_

(the "Property").

1.4 The Purchase Price for the Property is \$ \_\_\_\_\_ (the "Purchase Price") payable in
lawful money of Canada. The Purchase Price does not include any goods and services tax payable.

1.5 Subject to Section 2 of Schedule 'A' hereto, the Purchaser shall, within 24 hours after the acceptance
of this offer by the Vendor, pay a deposit of \$ \_\_\_\_\_ (the "Deposit"), which is equal to
10% of the Purchase Price.

1.6 The terms and conditions set out in Schedule 'A' hereto form a part of this Contract of Purchase and
Sale.

1.7 Completion Date: See Section 3 of Schedule 'A'.

1.8 Possession Date: See Section 4 of Schedule 'A'.

The Purchaser's offer herein is open for acceptance until \_\_\_\_\_ a.m./p.m. Mountain Time on the \_\_\_\_\_
day of \_\_\_\_\_, 200\_\_, and upon acceptance by the Vendor by signing a copy of this Offer
there shall be a binding contract of purchase and sale of the Property for the Purchase Price, on the terms and
conditions herein contained.

DATED \_\_\_\_\_, 200\_\_

WITNESS:

\_\_\_\_\_ )

Name:

\_\_\_\_\_ )

Address:

\_\_\_\_\_ )

Occupation:

(As to All Signatures)

\_\_\_\_\_

PURCHASER:

\_\_\_\_\_

PURCHASER:

WJ LOTS ULC hereby accepts the Purchaser's offer to purchase contained herein and agrees to sell the Property to the Purchaser in accordance with this Contract.

DATED \_\_\_\_\_, 200\_\_

WJ LOTS ULC  
by its authorized signatory(ies):

\_\_\_\_\_

Authorized Signatory

\_\_\_\_\_

Authorized Signatory

**Disclosure Statement Receipt**

The Purchaser hereby acknowledges receipt of a copy of and a reasonable opportunity prior to the execution of this Agreement to read the Disclosure Statement dated \_\_\_\_\_, together with any amendments thereto (collectively, the "Disclosure Statement").

\_\_\_\_\_

Purchaser's signature

\_\_\_\_\_

Purchaser's signature

SCHEDULE 'A'  
ADDITIONAL TERMS AND CONDITIONS

1. Purchase Price. The Purchaser will pay the Purchase Price to the Vendor as follows:
  - (a) the Deposit shall be paid by the Purchaser to the Vendor's Real Estate Agent, Royal Lepage East Kootenay Realty ("Royal Lepage"), in trust, within 48 hours after the Vendor's acceptance of the Purchaser's offer herein; and
  - (b) the balance of the Purchase Price, plus or minus adjustments pursuant to section 4 below, shall be paid by the Purchaser to the Vendor's solicitors, Leffler Law Office (hereinafter referred to as the Vendor's Solicitors), on the Completion Date (as defined in section 3 below) by way of cash, solicitor or notary's trust cheque, certified cheque or bank draft in accordance with the provisions of section 3 below.
  
2. Deposit.
  - (a) The Vendor will not be obligated to accept payment of any portion of the Deposit by credit card.
  - (b) Unless specifically requested by the Purchaser, the Deposit will not be placed in an interest bearing account and will, therefore, not have interest accruing to the benefit of the Purchaser. If so specifically requested, subject to subsection 2(c), the interest earned on the Deposit will be for the benefit of the Purchaser.
  - (c) The Deposit shall be dealt with by Royal Lepage as follows:
    - (i) if the Purchaser completes the purchase of the Lot on the terms and conditions herein contained, then the Deposit shall form part of and be applied to the Purchase Price and be paid by the Vendor's Solicitors on the Completion Date to the Vendor on the Completion Date (and interest earned on the Deposit, if any, will be paid to the Purchaser separately after the Completion Date);
    - (ii) if the Purchaser fails to complete the purchase of the Lot on the terms and conditions herein contained or is otherwise in default of any of the Purchaser's obligations hereunder, then at the Vendor's election the Deposit and interest, if any, shall be absolutely forfeited to the Vendor forthwith as liquidated damages, the parties agreeing that such amount constitutes a genuine pre-estimate of damages;
    - (iii) if the Vendor fails to complete the sale of the Lot on the terms and conditions herein contained, then the Deposit (or that portion of the Deposit previously paid by the Purchaser to the Vendor) and interest, if any, shall be returned to the Purchaser as the Purchaser's sole remedy in respect of the Vendor's default and the Purchaser shall have no further claim against the Vendor.
  
3. Completion Date. The Purchaser will pay the balance of the Purchase Price by cash, certified cheque or solicitor's or notary's trust cheque on the date (the "Completion Date") identified by the Vendor or the Vendor's Solicitors, by written notice to the Purchaser or the Purchaser's solicitor or notary (the "Purchaser's Solicitors"), as a date on which title for the Property will have been issued by the appropriate Land Title Office (the "LTO"), provided that the Vendor or its solicitors will give not less than 10 days notice thereof. The notice of the Completion Date given to the Purchaser or the Purchaser's Solicitors may be based on the Vendor's estimate as to when title for the Property will be issued as long as all required subdivision plans (as contemplated herein) have been deposited in the LTO. If title for the Property is not issued on the Completion Date so established, then the Vendor may delay the Completion Date from time to time for up to a maximum of three months after the Completion Date first established as required by the Vendor until title is issued, by written notice of such delay from the Vendor or the

Vendor's Solicitors to the Purchaser or the Purchaser's solicitor or notary, provided that the Vendor or the Vendor's Solicitors will give not less than three days' notice of such extended Completion Date. Despite the foregoing, if the Completion Date has not occurred by December 31, 2010 (the "Outside Date"), this Contract will be terminated and the Vendor will repay to the Purchaser the Deposit, together with all interest earned thereon, unless the parties agree in writing to extend provided that if the Completion Date is extended as aforesaid and such extended Completion Date is after the Outside Date, the Outside Date will automatically be extended to the day following such extended Completion Date.

4. Possession and Adjustments. The Purchaser will assume all taxes, rates, assessments and other charges from and including the Completion Date and all adjustments will be made as of the Completion Date. If the amount of any such taxes, rates or assessments have been levied in respect of a parcel greater than the Property, the portion thereof which shall be allocated to the Property will be determined by prorating the total amount among all parcels for which the same have been levied on the basis of the relative areas of such parcels in each case. The Purchaser will have vacant possession of the Property on the day following the Completion Date after payment of the adjusted Purchase Price, free and clear of all encumbrances except encumbrances described in the Disclosure Statement (as defined in section 13 below), and encumbrances to be discharged pursuant to section 5 below.
5. Closing Procedure. The Purchaser's Solicitors will prepare and deliver the required Freehold Transfer (the "Transfer") and Statement of Adjustments to the Vendor's Solicitors at least five days prior to the Completion Date. The Vendor will not be required to execute or deliver any other agreements, certificates, statutory declarations or assurances whatsoever. The Vendor will execute and cause to be delivered to the Purchaser's Solicitors the Transfer and Statement of Adjustments on the condition that the Purchaser's Solicitors file the Transfer (executed by the Purchaser) for registration in LTO together with any security relating to any mortgage financing arranged by the Purchaser, and pay to the Vendor's Solicitors the balance of the adjusted Purchase Price on the Completion Date forthwith upon receipt of a satisfactory post-registration index search of title to the Property in accordance with this Contract or return such documents unregistered. The Purchaser acknowledges and agrees that the transfer of title will be subject to financial encumbrances granted by the Vendor provided that the Vendor's Solicitors undertake to clear title to the Property of such financial encumbrances within a reasonable time after receiving the balance of the adjusted Purchase Price payable to the Vendor on closing.
6. Lien Holdback. That portion, if any, of the balance of the Purchase Price required by law to be held back by the Purchaser in respect of builders' lien claims (the "Lien Holdback") shall be paid to the Vendor's Solicitors on the Completion Date. The Lien Holdback shall be held in trust for the Purchaser pursuant to the *Builders Lien Act* (British Columbia) (or successor statutes) solely in respect of lien claims registered in the LTO in connection with work done at the behest of the Vendor. The Vendor's Solicitors are authorized to invest the Lien Holdback in an interest bearing trust account, and to pay to the Vendor on the earlier of (a) the 56<sup>th</sup> day after the Completion Date, and (b) the 46<sup>th</sup> day after the issuance of a certificate of completion under the *Builders Lien Act* for the general construction contract for the Development, the Lien Holdback plus interest, if any, earned thereon, less the amount of any builders' lien claims filed against the Property of which the Purchaser or the Purchaser's Solicitor notifies the Vendor's Solicitors in writing by 1:00 p.m. on that day.
7. Costs/GST. The Purchaser will pay all taxes (including all GST), costs and expenses incurred in connection with the completion of the sale and purchase of the Property other than the costs of the Vendor incurred in clearing title to the Property of financial encumbrances. GST is not included in the Purchase Price. The Purchaser will remit to the Vendor on the Completion Date any GST payable in respect of the sale and purchase of the Property contemplated in this Agreement, the Vendor will remit the GST collected to Canada Customs and Revenue Agency ("CRA") and the Purchaser will be solely responsible to collect any applicable rebate of the GST. Notwithstanding the foregoing, if the Purchaser is a corporation or a partnership which is registered for GST purposes and, on or before the Completion Date, the Purchaser provides the Vendor with a certificate as to the GST registered status of the Purchaser containing the Purchaser's GST registration number, the Purchaser will not be required to pay the GST to the Vendor but will be entitled to self-assess the GST and account for the same directly to CRA.
8. Building Scheme. The Purchaser acknowledges that title to the Property will be subject to the Statutory Building Scheme (as defined in the Disclosure Statement) thereunder which establish certain restrictions

on the construction of improvements on the Property and require the payment of a security deposit to the Vendor prior to the approval of construction plans. The Purchaser covenants and agrees to abide by the requirements of the Statutory Building Scheme and, in particular but without limitation, will pay all fees and Deposit required thereunder when due.

9. Purchaser's Conditions. The obligation of the Purchaser to complete the purchase of the Property is subject to the following condition(s) being satisfied or waived on or before the following date(s):

The above condition(s) is/are for the sole benefit of the Purchaser and may be waived unilaterally by the Purchaser at any time on or before the date(s) provided above. If the Purchaser does not give the Vendor or the Vendor's agent written notice of the satisfaction or waiver of any of such conditions on or before such date(s), this Contract will be automatically terminated and the Deposit and any interest earned thereon will be returned to the Purchaser.

10. Risk and Time. The Property will be at the Vendor's risk until 12:01 a.m. on the Completion Date and thereafter at the Purchaser's risk. Time will be of the essence of this Contract and will remain of the essence notwithstanding the extension of any of the dates herein.
11. No Assignment. The Purchaser may not directly or indirectly assign the Purchaser's interest in this Contract or direct the Vendor to transfer title to the Property to any third party without the written consent of the Vendor, in its absolute discretion, and unless the Purchaser gives the Vendor and the Vendor's Solicitors not less than 10 days' written notice of a proposed assignment. An assignment will not release or discharge the Purchaser from any of the Purchaser's duties or obligations under this Contract, even if this Contract is subsequently amended or further assigned.
12. Presale Requirement. If, by May 31, 2009, the Developer has not satisfied itself, in its sole and absolute discretion, as to the level of pre-sales of strata lots in the Development, the Vendor will have the right to cancel the Contract by giving 10 days notice to the Purchaser or the Purchaser's solicitor. In such event, this Contract will be null and void effective as of the 10<sup>th</sup> day after the date of receipt of the notice by the Purchaser or the Purchaser's solicitor and the Vendor will repay to the Purchaser the Deposit together with all interest accrued thereon.
13. Receipt of Disclosure Statement. The Purchaser acknowledges that the Purchaser has received a copy of and has been given an opportunity to read the Disclosure Statement dated December 3, 2007, and the First Amendment to Disclosure dated \_\_\_\_\_ in respect of the Property and any amendments to date (collectively the "Disclosure Statement") and that this Contract constitutes a receipt in respect thereof.
14. Adjacent Development. The Purchaser acknowledges that he/she is purchasing the Property with full and complete awareness that, and unconditionally accepts and agrees that the Vendor intends to develop sites and install roads, trails, services, golf course and other improvements adjacent to and in the vicinity of the development where the Property is located (the "Development") and, in that regard, there will be, from time to time, related construction, noise, dust and dirt tracks on roadways in proximity to the Property and/or the Development and further subdivision and development from time to time of lands adjacent to or in proximity to the Property or the Development.

15. Major Outside Event. The parties agree that if (a) any act of God, accident or other event beyond the reasonable control of the Vendor, (b) any condition discovered within the Development or in the vicinity of the Development, including, without limitation, any soil or environmental condition, or (c) any action or step taken by any applicable governmental or regulatory authority, renders it impossible or not reasonably feasible or economical for the Vendor to perform its obligations under this Contract, the Vendor may terminate this Contract upon written notice to the Purchaser, upon which the Vendor will return to the Purchaser the Deposit and any interest earned thereon.
16. Privacy Consent. The Purchaser consents to the collection, use and disclosure of personal information contained in this Contract and otherwise collected by or on behalf of the Vendor and its agents, affiliates and service providers (collectively, the "Information") for the following purposes:
- (a) to complete the transaction contemplated in this Contract;
  - (b) to invest the Deposit as provided herein including providing personal information to the financial institution as required for reporting interest earned on the Deposit in accordance with applicable laws;
  - (c) to facilitate the completion of the Development, including securing financing for the construction of the Development;
  - (d) to facilitate the management of the Development, including transferring management of the Development to a property manager; and
  - (e) to market, sell, provide and inform the Purchaser of the products and services of the Vendor and its affiliates, including without limitation, information about future projects.
- The Purchaser consents to the collection, use and disclosure of the Information by or to agents, contractors and service providers of the Vendor and its affiliates in connection with the above purposes.
17. No Interest in Land. This offer and the agreement which results from its acceptance creates contractual rights only and not any interest in land.
18. Notices. Any notice to be given under this Contract shall be in writing addressed to the respective parties or their respective solicitors and sent by postage prepaid mail (airmail, if to or from outside of Canada) or delivered by hand or transmitted by telecopy to the addresses as set out above, or such other address as any party may notify all other parties in accordance with this provision, and shall be deemed to have been received if delivered or transmitted, when delivered or transmitted and if mailed, on the second business day after such mailing.
19. Miscellaneous. This Contract is the entire agreement between the parties and there are no other terms, conditions, representations, warranties or collateral agreements, express or implied, whether made by the Vendor, any agent, employee or representative of the Vendor or any other person. All of the terms, conditions, representations, and warranties contained in this Contract will survive closing and the transfer of the Property to the Purchaser. This Contract will be governed by the laws of British Columbia, If the Purchaser is comprised of more than one person, the covenants and obligations of all parties comprising the Purchaser are joint and several.