

Addendum to Contract of Purchase and Sale

1. Deposits. The Purchaser will pay the Deposit in trust to the Vendor's realtor's trust account, or the Vendor's solicitor's trust account, or to the Purchaser's realtor's trust account, or to their successors or assigns, concurrently with the Purchaser's offer herein. Any payments made on account of the Deposit will be in Canadian currency. No interest on the Deposit shall be payable to the Purchaser.

[CHOOSE ONE OF FOLLOWING OPTIONS FOR PARAGRAPH 2, AND DELETE INAPPLICABLE PARAGRAPH 2]

2. Completion Date when title to the Property has been raised. The transaction will complete and the balance of the Purchase Price will be due and payable on \_\_\_\_\_, 20\_\_ (the "Completion Date").

**OR**

2. Completion Date when the Property is not yet completed. The transaction will complete and the balance of the Purchase Price will be due and payable on the "Completion Date" identified by the Vendor or the Vendor's solicitors, by written notice to the Purchaser or the Purchaser's solicitors, as a date:

- (i) after title to the Property has been raised; and
- (ii) the Property will be ready for interior completion and fixturing by the purchaser;

provided that the Vendor or its solicitors will give not less than 14 days notice thereof. Whether the Property is ready refers to the Property only and not to any other strata lot or the common property within the Development. The notice of the Completion Date delivered to the Purchaser or the Purchaser's solicitors may be based on the Vendor's estimate as to when the Property will be ready, and if the Property is not ready on the Completion Date so established, then the Vendor may delay the Completion Date from time to time as required by the Vendor until the Property is ready, by notice of such delay to the Purchaser or the Purchaser's solicitors, provided that the Vendor will give the Purchaser or the Purchaser's solicitors not less than 24 hours notice of such extended Completion Date.

The Vendor estimates that the Development will be completed, and titles raised, on or about March 1, 2020. If the Development has not been completed, and titles raised, by September 2, 2020 (the "Outside Completion Date"), then this Contract will be terminated unless the parties agree in writing to extend the Completion Date, provided that if the Vendor is delayed from completing construction of the Development as a result of any event or circumstance whatsoever beyond the reasonable control of the Vendor, then the Outside Completion Date will be extended for a period equivalent to such period of delay.

In the event that the Purchaser requests an extension and the Vendor agrees to such request, then the purchaser agrees to pay interest on the purchase price, calculated from

the original completion date to the agreed upon extended completion date, at the rate of 12% per annum.

3. Possession and Adjustments. The purchaser will have vacant possession of the Property on the day following the Completion Date after payment of the Purchase Price. The purchaser will assume all taxes, rates, assessments, strata fees and other charges (including an adjustment of pre-paid insurance premiums) from and including 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 purchased interest will be determined by prorating the total amount among all strata lots in that part of the Development for which the same have been levied on the basis of the applicable unit entitlement in each case.
4. Construction. The Purchaser acknowledges that the purchaser is buying a strata lot to be constructed substantially in accordance with that described in the Disclosure Statement, subject to modifications as may be determined by the Developer from time to time, changes required by the City of Nanaimo or other approving authority or as otherwise permitted herein or in the Disclosure Statement, provided that the Vendor may make minor modifications in features, design, layout, window area and window location as in the opinion of the Vendor or its agents are necessary, desirable or reasonable and may use materials other than as prescribed in the plans and specification if they are reasonably similar to that which is prescribed.

If the Property is more than 5% smaller than as set out in the Disclosure Statement, then the Purchase Price will be reduced by a percentage equal to the number of percent by which the Property is more than 5% smaller (ie. if Property is 6% smaller, then Purchase Price will be decreased by 1% [6% - 5% = 1%]).

If the Property is more than 5% larger than as set out in the Disclosure Statement, then the Purchase Price will be increased by a percentage equal to the number of percent by which the Property is more than 5% larger (ie. if Property is 6% larger, then Purchase Price will be increased by 1% [6% - 5% = 1%]).

If requested by the Purchaser, the Purchaser will be entitled to inspect the Property with a representative of the Vendor, at a reasonable time prior to the Completion Date determined by the Vendor. At such time the parties will prepare and sign a conclusive list of any defects and deficiencies and the date following the Completion Date by which the defects and deficiencies are to be rectified. The Vendor will promptly repair or remedy any such defects and deficiencies by the stated date of completion thereof in such list, and the Purchaser will not be entitled to hold back any portion of the Purchase Price in respect of such defects or deficiencies. In all other respects, the purchaser will be deemed to have accepted the physical condition of the Property.

5. Lien Holdback. That portion, if any, of the Purchase Price required by law to be held back by the Purchaser in respect of potential builders' lien claims (the "Lien Holdback") will be paid to the Vendor's solicitors on the Completion Date. The Lien Holdback, if statutorily required, will be held by the Vendor's solicitors in trust pursuant to the *Strata Property Act* or successor legislation and the *Builders lien Act*, solely in respect of builder's lien claims registered in the Land Title Office in connection with work done at

the behest of the Vendor. The Vendor's solicitors are authorized to pay to the Vendor on the 56<sup>th</sup> day after the Completion Date the Lien Holdback less the amount representing builders' lien claims filed against the Property of which the purchaser or the Purchaser's solicitor notify the Vendor's solicitors in writing by 1 pm that day. No interest on the Lien Holdback shall be payable to the Purchaser. The purchaser hereby authorizes the Vendor and the Vendor's solicitors to do all things necessary to discharge any builder's liens, including bringing court proceedings in the name of the purchaser, provided that any such proceedings will be solely at the expense of the Vendor.

6. GST. The Purchaser Price does not include GST.
7. Assignment. The Purchaser may not directly or indirectly assign the Purchaser's interest in the Contract or direct the Vendor to transfer title to the Property to any third party without the prior written consent of the Vendor, at the Vendor's absolute discretion. If the Vendor agrees to an assignment, such 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. In the event of any assignment of this Contract prior to the Completion Date, the Purchaser will pay to the Vendor an assignment fee of **\$1,000.00** at the time that the Vendor consents to the assignment, unless such assignment is to a spouse, child, grandchild, parent, grandparent or sibling of the Purchaser or a company owned or controlled by the Purchaser, in which case there will be no assignment fee. The Vendor must be a signatory to any assignment agreement.

**The Vendor will not consent to the assignment of this Contract until the Purchaser and the assignee under any assignment agreement have both disclosed to the Vendor the information required under Policy Statement 16. This Policy Statement is set out in paragraph 11 below.**

8. Miscellaneous Agreements. This Contract is the entire agreement between the parties and there are no representations, warranties, conditions or collateral agreements, express or implied, whether made by the Vendor, any agent, employee or representative of the Vendor or any other person including, without limitation, arising out of any marketing material including sales brochures, models, representative view sets, show room displays, photographs, illustration or renderings provided to the Purchaser or made available for the Purchaser' viewing, other than those contained herein or in the Disclosure Statement. This Contract will be governed by and construed in accordance with the laws of British Columbia.
9. Receipt for Disclosure Statement. The Purchaser acknowledges that the Purchaser has received a copy and has been given an opportunity to read the Disclosure Statement and any amendments to date and that this Contract constitutes a receipt in respect thereof. The Purchaser has also had the opportunity to ask question of, and receive answers from the Developer concerning the Development, and to obtain such additional information necessary to verify the accuracy of the information contained in the Disclosure Statement in order for the Purchaser to evaluate the merits and risks of the purchase of the Property.
10. Notices. Any notice to be given to the Purchaser will be well and sufficiently given if deposited in any postal receptacle in Canada addressed to the Purchaser and sent postage prepaid, or delivered by hand, at the address set out above for the Purchaser, or

transmitted by facsimile transmission to the Purchaser or to the Purchaser's solicitors at their office and shall be deemed to have been received when hand delivered or transmitted by fax, and if mailed, on the second business day (exclusive of statutory holidays) after such mailing.

11. **Policy Statement 16 - Real Estate Development Marketing Act Additional Requirements for Development Property Consisting of Five or More Strata Lots Regarding Assignments of Purchase Agreements.**

“Without the developer's prior consent, any assignment of a purchase agreement is prohibited.

An assignment under the Real Estate Development Marketing Act is a transfer of some or all of the rights, obligations and benefits under a purchase agreement made in respect of a strata lot in a development property, whether the transfer is made by the purchaser under the purchase agreement to another person or is a subsequent transfer.

Each proposed party to an assignment agreement must provide the developer with the information and records required under the Real Estate Development Marketing Act.

Before the developer consents to an assignment of a purchase agreement, the developer will be required to collect information and records under the Real Estate Development Marketing Act from each proposed party to an assignment agreement, including personal information, respecting the following:

- (a) the party's identity;
- (b) the party's contact and business information;
- (c) the terms of the assignment agreement.

Information and records collected by the developer must be reported by the developer to the administrator designated under the Property Transfer Tax Act. The information and records may only be used or disclosed for tax purposes and other purposes authorized by section 20.5 of the Real Estate Development Marketing Act, which includes disclosure to the Canada Revenue Agency.”