

CERTIFICATE OF COMMISSIONER
AFFIDAVIT SWORN USING VIDEO TECHNOLOGY

I, Megan Buchanan, a commissioner for taking affidavits in the Province of British Columbia, do hereby certify that it was necessary to commission the attached affidavit of Mark Goodman sworn on June 10, 2021 using video technology because it was impossible or unsafe, for medical reasons, for the deponent and the commissioner to be physically present together.

Signed: Megan Buchanan
Commissioner for taking affidavits for
British Columbia

June 10, 2021
Dated: _____



Affidavit #1 of Mark Goodman
Sworn June 16, 2021

S215858 No.

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

Re: THE OWNERS, STRATA PLAN VR 456
IN THE MATTER OF DIVISION 2 OF PART 16 OF THE STRATA PROPERTY ACT, SBC
1998, c. 43

AFFIDAVIT

I, Mark Goodman PREC, Realtor, of 560 – 2608 Granville Street, Vancouver, British Columbia,
SWEAR THAT:

1. I am a realtor with Goodman Commercial Inc., ("Goodman Commercial"), the real estate agent retained by the administrator, Garth Cambrey, on behalf of The Owners, Strata Plan VR456 (the "Strata Corporation"), and as such, I have personal knowledge of the facts and matters hereinafter deposed to, save and except where the same are stated to be based upon information and belief, and, where so stated, I verily believe the same to be true.
2. Pursuant to a listing agreement dated July 9, 2020 the Strata Council of the Strata Corporation formally retained Goodman Commercial to assist the Strata Corporation in the marketing and sale of the Spruce West strata complex and its related land (collectively the "Spruce West Complex").
3. The Spruce West Complex consists of six residential strata lots in one six-storey building and associated common property, built in or about 1977, and located at 1089 West 13th Avenue, Vancouver, B.C. Thereafter, Goodman Commercial commenced marketing of the Spruce West complex to prospective purchasers. Attached and marked as Exhibit "A" to this my affidavit is a true copy of the listing agreement, dated July 9, 2020.
4. I, along with my colleague Cynthia Jagger, of Goodman Commercial, have been involved in the marketing of the Spruce West Complex, and subsequent events leading up to the

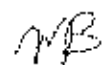
Strata Corporation's approval of a winding up resolution at the Special General Meeting held on March 24, 2021.

5. For the purpose of swearing this affidavit I was not physically present before the Commissioner, but was linked with the Commissioner utilizing video technology and following the process for remote commissioning of affidavits set out in the directive issued by the B. C. Supreme Court on March 20, 2020.

Marketing of the Spruce West Complex

6. Based on Goodman Commercial's experience marketing housing cooperatives and other strata corporations for potential sale and windup, we recommended to the Strata Council that the Spruce West enter into an aggressive marketing process that included email, internet, social media, phone and print, highlighting the amazing attributes of the subject property and its attractive investment appeal to a local, national and international audience (the "Marketing Campaign").
7. Prior to the marketing of the Spruce West, Goodman Commercial had successfully used this process to generate multiple offers on other listings.
8. Prior to the commencement of the Marketing Campaign, we prepared a document summarizing our opinion on the value of the property (the "Valuation"). Based on the substantial costs to repair the building, Goodman Commercial determined there were four options for the pricing of the property:
 - a. \$2,975,268: Based on the assumption the building is vacated and all suites leased "at market rates";
 - b. \$3,954,300: Based on the assumption the building is vacated and all suites are sold individually;
 - c. \$3,396,263 to \$4,095,515: Based on the assumption the building is demolished (cost excluded); and
 - d. \$2,529,630 to \$3,091,770: Based on the assumption the building is demolished (cost excluded) and 100% rental assumed.
9. Notably, the range we proposed in the Valuation could be as low as \$2,975,268 depending on which option a buyer pursued. Attached and marked as **Exhibit "B"** to this my affidavit is a true copy of the Valuation.
10. Ultimately, we determined a suggested value range of \$3,500,000 to \$4,500,000 for the Marketing Campaign. A large range in value was due to the various unknowns such as which option a buyer would pursue and the significant need for repairs to the building. We erred on the high side and proposed to the Strata a listing price of \$4,750,000. I distributed the Valuation to Mr. Cambrey.

11. On July 13, 2020 Cynthia Jagger and myself attended the July 2020 AGM to discuss the proposed marketing scheme and answer questions the owners may have about the marketing proposal and sale of the Spruce West. Attached and marked as **Exhibit "C"** to this my affidavit is a true copy of the July 2020 AGM Meeting Minutes.
12. Following receipt of comments and input from owners, we proceeded with the Marketing Campaign at the list price of \$4,750,000. Once the marketing materials for the Spruce West Complex were completed, our team publicly launched the Marketing Campaign in July 2020. The Marketing Campaign included the following activities:
 - a. Distributed a detailed information package on the Spruce West in the Goodman Report which reached approximately 15,000 worldwide subscribers. A copy of which is attached hereto to this Affidavit as **Exhibit "D"**.
 - b. Featured the Spruce West on the front page of our website (www.goodmanreport.com). This feature generated 3,750 views of the advertisement. A copy of the webpage is attached hereto to this Affidavit collectively as **Exhibit "E"**.
 - c. Advertised locally and nationally through the Western Investor Newspaper. The Western Investor has a distribution of approximately 40,000 subscribers. A copy of the Western Investor advertisement is attached hereto to this Affidavit as **Exhibit "F"**.
 - d. Advertised locally by taking out ads in the Landlord BC Magazine. The Landlord BC magazine has a distribution list of approximately 5,000 subscribers. A copy of the Landlord BC advertisement is attached hereto to this Affidavit as **Exhibit "G"**.
 - e. Advertised through an email campaign which resulted in 4,402 views and 1,005 clicks. A copy of the email advertisements is attached hereto to this Affidavit as **Exhibit "H"**.
 - f. Mailed out a postcard which reached 2,200 prospective purchasers. A copy of the email advertisements is attached hereto to this Affidavit as **Exhibit "I"**.
 - g. Created a confidentiality agreement which was required to be signed by the representatives of an interested purchaser before providing access to the due diligence information.
 - h. Distributed a high-quality sales brochure to thousands of investors and developers made up of local and international prospects and other centers of influence (i.e., lenders, appraisers, lawyers, CAs, financial planners and media).
 - i. Followed up with potential purchasers with phone calls and meetings with parties who inquired following our advertising or had signed confidentiality agreements.

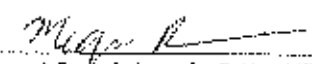


13. In addition the marketing process described above, our team also advertised the Spruce West through the following social media sites:
- a. Advertised on Twitter which resulted in 410 views. A copy of the Twitter advertisement is attached hereto to this Affidavit as **Exhibit "J"**.
 - b. Advertised on Facebook for Business which reached approximately 12,552 prospective purchasers and resulted in 1,031 clicks. A copy of the Facebook advertisement is attached hereto to this Affidavit as **Exhibit "K"**.
 - c. Advertised on LinkedIn which reached approximately 3,618 potential purchasers. A copy of the LinkedIn advertisement is attached hereto to this Affidavit as **Exhibit "L"**.

Purchase and Sale of the Spruce West Complex

14. After the marketing campaign, two Letters of Intent (LOIs) were received by our office on behalf of the Strata Corporation. The offered purchase price in each of the two LOIs were within the range of our proposed market value.
- a. The first offer was from Butterscotch Holdings Inc. ("Butterscotch") for \$3,900,000 (the "Initial Butterscotch Offer").
 - b. The second offer was from OpenForm Properties Ltd. ("OpenForm") for \$4,300,000. I signed a letter of intent (the "OpenForm LOI") with OpenForm on August 6, 2020. Attached and marked as **Exhibit "M"** to this my affidavit is a true copy of the OpenForm LOI.
15. Initially we decided to move forward with the OpenForm LOI. On September 2, 2020 my colleague Cynthia Jagger and I attended a Special General Meeting of the Strata Corporation (the "September 2020 SGM"). In this meeting we reviewed the process our team followed in marketing the property and obtaining the Openform LOI. We also reviewed the next steps in the process including negotiating a purchase and sale agreement. We answered questions from owners about the windup and sale process. Attached and marked as **Exhibit "N"** to this my affidavit is a true copy of the September 2020 SGM Meeting Minutes.
16. Ultimately, OpenForm withdrew its offer on September 22, 2020 based on its estimated costs to repair the building. Attached and marked as **Exhibit "O"** to this my affidavit is a true copy of the email chain between myself and OpenForm dated September 22, 2020.
17. Butterscotch provided an LOI to the Strata Corporation ("Initial Butterscotch LOI") for \$3,900,000 on September 21, 2020. Mr. Cambrey accepted the LOI on behalf of the Strata Corporation on September 22, 2020. Attached and marked as **Exhibit "P"** to this my affidavit is a true copy of the Initial Butterscotch LOI.

This is Exhibit "A" referred to in the affidavit
of Mark Goodman, affirmed before me on
the 10th June 2021.


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567



EXCLUSIVE LISTING AGREEMENT

This Agreement made the 9th day of July, 2020

Between

Goodman Commercial Inc.
#560 – 2608 Granville Street,
Vancouver, BC, V6H 3V3

(hereinafter referred to as "Goodman")

And

The Owners, Strata Plan VR 456
c/o Garth Cambrey, Administrator
#2300 – 2850 Shaughnessy Street,
Port Coquitlam, BC, V3C 6K5

(hereinafter referred to as the "Strata Corporation")

WHEREAS:

- A. The Strata Corporation is a strata corporation established pursuant to the *Strata Property Act*, SBC 1998, c. 43, of British Columbia, as amended (the "SPA");
- B. Pursuant to a Court Order dated April 17, 2020 in the matter of *MacLennan v. The Owners, Strata Plan VR 456*, B.C. Supreme Court New Westminster Registry No. NEW-S-S-222743, Garth Cambrey of Cambrey Consulting Ltd. was appointed as the administrator (the "Administrator") of the Strata Corporation pursuant to section 174 of the SPA, and was ordered to take all reasonable and necessary steps to investigate and complete a voluntary winding-up of the Strata Corporation pursuant to Division 2 of Part 16 of the SPA, including entering into a listing agreement with a qualified real estate agent;
- C. The purpose of this Exclusive Listing Agreement ("Agreement") is to facilitate a voluntary winding up of the Strata Corporation with a liquidator ("Liquidator") pursuant to the SPA (a "Winding Up"), or a 100% approved sale of all strata lots to a single purchaser in lieu of such a Winding Up (a "100% Approved Sale").

In consideration of Goodman listing and agreeing to offer for sale the lands at 1089 West 13th Avenue, Vancouver and legally described as:

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Strata Lots 1-8, Plan VAS456, District Lot 528, New Westminster Land District
PID 004-046-471, 004-046-480, 004-046-498, 004-046-501, 004-046-510, 004-046-528
(collectively the "Property")

during the Term of this Agreement, the Strata Corporation hereby grants to Goodman the sole and exclusive authority to secure a purchaser acceptable to the Strata Corporation for the Property, upon the following terms and conditions:

1. Goodman acknowledges and agrees that neither the Strata Corporation nor the Administrator is the owner of the Strata Lots and neither has registered title to the common property shown on Strata Plan VR 456 and thus neither is in a position to sell the Property but are only vehicles, pursuant to the provisions of Division 2 of Part 16 of the SPA, to coordinate the marketing and sale of the Property and effect the Winding Up of the Strata Corporation, the cancellation of Strata Plan VR 456 and the transfer of the land shown on the strata plan to the Liquidator and their subsequent transfer of the land shown on the strata plan to the purchaser (or a 100% Approved Sale in lieu thereof).
2. For the purposes of this Agreement, "Accepted Contract" means a binding contract for purchase and sale of the Property accepted by the Administrator on behalf of the Strata Corporation, which contract is subject to the provisions of section 3 of this Agreement.
3. Any Accepted Contract will be subject to obtaining:
 - (a) the approvals required pursuant to Division 2 [Voluntary Winding Up with Liquidator] of Part 16 of the SPA, which for certainty includes the following:
 - (i) the approval by the Owners (being the registered owners of the strata lots comprising Strata Plan VR 456) of a winding resolution by way of an 80% vote pursuant to Section 272 of the SPA (the "80% Vote Resolution");
 - (ii) assuming that the 80% Vote Resolution passes, the approval of the Owners of the Accepted Contract by way of an 75% vote pursuant to Section 282 of the SPA (the "75% Vote Resolution");
 - (iii) the granting of a court order by the BC Supreme Court pursuant to section 278.1 of the SPA, confirming the 80% vote resolution approved by the Owners pursuant to section 272 of the SPA; and
 - (iv) the granting of a court order by the BC Supreme Court pursuant to section 279 of the SPA, which, *inter alia*:

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- (A) confirms the appointment of the Liquidator; and
 - (B) vests in the Liquidator title to the property for the purpose of selling the property to the purchaser pursuant to the Purchase Agreement; or
- (b) in the event that the Owners do not approve the 80% Vote Resolution, the approvals pursuant to Division 3 [Court Ordered Winding Up] of Part 16 of the SPA apply, which for certainty includes a Court Order pursuant to Sections 284 and 285 of the SPA.

If neither of the approvals in subsections 3(a) or (b) are obtained, the Accepted Contract shall be deemed null and void and the Strata Corporation shall have no obligation under this Agreement or an Accepted Contract.

4. Subject to the requirements of Division 2 of Part 16 of the SPA, the Administrator has exclusive conduct of the Property on behalf of the Strata Corporation and all of the Owners. Goodman and the Designated Agent(s) (as defined at section 8 of this Agreement) each acknowledge and agree that none of them will act for or in any way advise or negotiate on behalf of any Owners with respect to the potential winding up and sale of the Property (including any strata lots therewith) contemplated by this Agreement. For clarity, all negotiations regarding the potential winding up and sale of the Property (including any strata lots therewith) must be conducted by Goodman and/or the Designated Agent(s) through the Administrator. The foregoing does not however prevent Goodman and/or the Designated Agents from meeting with Owners to discuss any proposed sale or offer to purchase through a Winding Up (or 100% Approved Sale in lieu thereof), including considerations that may be specific to a particular owner, as long as such discussions and considerations are disclosed in advance to the Administrator and form part of the overall negotiations of between the Administrator, on behalf of the Strata Corporation, and the prospective purchaser of the Property.
5. Goodman will use due diligence and its best efforts in seeking prospective purchasers, utilizing appropriate advertising and promotional material at its sole cost.
6. All enquiries received by the Administrator during the Term regarding a potential purchase of the Property from any source whatsoever shall be referred to Goodman.
7. All offers are to be submitted to the Administrator through Goodman, including offers received from cooperating brokers.
8. The Listing Brokerage (Goodman) designates Mark Goodman Personal Real Estate Corporation and Cynthia Jagger Personal Real Estate Corporation (the "Designated Agents") to act as the sole agents of the Strata Corporation in respect of the Property.

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9. Periodically, Goodman will provide the Administrator with written status reports on the marketing of the Property.
10. Subject to sections 12 and 13 of this Agreement, the Strata Corporation will pay Goodman a real estate commission in the amount of two percent (2.0%) (the "Commission") on the Property's total sale price (due and payable out of net proceeds on closing) plus applicable taxes. If there is a cooperating brokerage, the commission will be in the amount of two and one-half percent (2.5%) and Goodman will pay the cooperating brokerage, from the remuneration paid to Goodman by the Strata Corporation in an amount equal to 0.75% of the sale price of the Property, plus applicable taxes.
11. For clarity, the Property's total sale price does not include any consideration in the form of any purchase and sale agreement by the purchaser to permit the Owners to continue residing in the strata lots on a no-charge or reduced charge basis following the completion of the transaction contemplated by the purchase and sale agreement or any incentives offered by such purchaser with respect to any developments of the purchaser.
12. The Commission shall be payable to Goodman by the Strata Corporation if any of the following events occur:
 - a. The Property is sold to any person or entity during the Term ;
 - b. The Strata Corporation enters into a binding agreement of purchase and sale for the Property during the Term , which completes or, directly or indirectly, leads to, contributes to, or is an effective cause of, the sale of the Property following the expiration of the Term;
 - c. Goodman negotiates an offer for the purchase of the Property during the Term and, as a result of such offer, the right of a third party(ies) to purchase or acquire the Property pursuant to a right of first refusal, option to purchase, or "buy-sell" or "shotgun" provision, or similar right, is triggered and such third party(ies) proceeds with and does purchase or acquire the Property; or
 - d. Within 6 months after the expiration of the Term :
 - i) The Property is sold to any person or entity to whom the Property was submitted or introduced by Goodman (an "Introduced Party"), initially or otherwise, prior to the expiration of the Term; or

- ii) Negotiations or correspondence take place, which at any time hereafter, directly or indirectly, lead or contribute to, or are an effective cause of, the sale of the Property to an Introduced Party.
13. For the purposes of ascertaining the Strata Corporation's liability for the Commission under subparagraphs 12(d)(i) or 12(d)(ii), the Strata Corporation may, by written request to Goodman, inquire whether any person or entity with whom the Strata Corporation may contract, negotiate or correspond in connection with the sale of the Property after the expiration of the Term is an Introduced Party.
14. For the purposes of this Agreement, any persons or entities that were or should have been referred to Goodman by the Strata Corporation pursuant to section 2 shall be deemed to be an Introduced Party.
15. For the purposes of this Agreement, the purchase, sale or acquisition of the Property includes a purchase, sale or acquisition of all or a portion of the Property or an Interest in the Property, and the purchase, sale or acquisition of shares in one or more companies that owns all or a portion of the Property or has an Interest in the Property.
16. It is understood and agreed that there are no representations, warranties, guarantees, promises or agreements other than made herein.
17. In the event of:
- (a) a Winding Up of the Strata Corporation, the commission will be paid in full to Goodman upon the completion of a transfer of all of the Owners' interest in the Strata Lots to the Liquidator and the transfer by the Liquidator of the land that was shown on the strata plan immediately before its cancellation to the Purchaser and the unconditional payment of the sale proceeds to the solicitors for the Liquidator, the Strata Corporation or the Owners, as applicable; and
- (b) a 100% Approved Sale, the commission will be paid in full to Goodman upon the completion of a transfer of all of the Owners' interest in the Strata Lots to the purchaser and the unconditional payment of the sale proceeds to the solicitors for the Owners, in accordance with the listing agreement that to be entered into by the Owners and Goodman in the event that each of the Owners signs an individual purchase and sale agreement for his or her Strata Lot with the purchaser of all of the Strata lots.

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- 18. The term of this Agreement and the authority granted to Goodman shall become effective from the date of execution of this Agreement and will remain effective up to and including February 28, 2021 (the "Initial Term"), and may be further extended upon mutual agreement of the parties in writing (together the Initial Term and any extensions thereof shall be the "Term"). Any extension of the Initial Term will be on the same terms and conditions contained in this Agreement, except as otherwise mutually agreed upon by the parties in writing. If the Strata Corporation enters into an agreement for purchase and sale of the Property (the "PSA") during the Term, then this Agreement shall automatically be extended until either the closing date or the termination date of the PSA.
- 19. During the Term, Goodman shall communicate with the Administrator only on behalf of the Strata Corporation, and not the Strata Council and/or the Owners, unless:
 - (a) the Administrator first approves any such communication in writing; or
 - (b) otherwise directed by Court Order.
- 20. Goodman hereby releases the Administrator, or any employee, agent, or representative of the Administrator, from any and all actions, causes of actions, contracts, covenants, whether express or implied, claims and demands for damages, personal injury, indemnity, costs, interest and loss of every nature and kind, whatsoever and howsoever arising, whether statutory or otherwise, which Goodman may heretofore have had, may now have, or may hereinafter have, in any way relating to or arising or resulting from this Agreement.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT DATED THE 9th DAY OF JULY, 2020

GOODMAN COMMERCIAL INC.


Per: Mark Goodman 07/10/2020
7102020-8-3463-AM PWT
 Mark Goodman, Principal

THE OWNERS, STRATA PLAN VR 456

Per: J. Sarah Cambrey
 J. Sarah Cambrey, Administrator

MPB

This is Exhibit "B" referred to in the affidavit
of Mark Goodman, affirmed before me on
June 10, 2021


A Commissioner for Taking Affidavits
in British Columbia

Magan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

MB

Goodman:

PROPOSAL

Spruce West

1089 West 13th Avenue, Vancouver

Prepared for

The Owners, Strata Plan VR 456

July 21, 2020

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PROPERTY

PROPERTY SUMMARY

Registered owner	The Owners, Strata Plan VR 456		
Name of building	Spruce West		
Address	1099 West 13th Avenue, Vancouver		
Legal description	Strata Lots 1-6, District Lot 526, Strata Plan VR. 456, together with an interest in the common property in proportion to the unit entitlement of the strata lot as shown on Form 1.		
PID	004-046-471, 004-046-480, 004-046-498, 004-046-501, 004-046-510, 004-046-528		
Zoning	RM-3 Multiple Family Dwelling		
Lot size	99.93' x 62.51' (6,246 SF)		
Location	Fairview		
Year built	1977		
Storeroys	6		
Net rentable area	5,738 SF		
Units	6		
Suite mix*		No. units	Avg. SF
	One bedroom	1	846 SF
	Two bedroom	5	978 SF
	Total	6	
Parking	6 underground + 4 surface stalls		
Taxes (2020)	\$12,408		
Assessments (2020)	Land		\$3,285,000
	Improvements		\$956,000
	Total		\$4,241,000

*Suite type and size based on Tax Report and Strata Plan

SUMMARY OF OPTIONS - 1089 West 13th Avenue		Option 2 Strata Sell Off Existing building	Option 3 10M 3 - Comb. Build Assumes 1.45 FSR Hypothetical	Option 4 Strata Sell Off Existing building
Site Area	8,246	8,246	8,246	8,246
Existing FSR (estimated)	1.10	n/a	1.45	1.80
Scenario FSR	n/a	1.45	1.45	1.80
Scenario Assumed FSR Area	6,836	6,836	9,057	17,243
Net Rentable / Saleable Area Estimate	5,738	6,738	9,057	8,584
# of Rental Units	8	-	-	-
# of Office Units	-	6	-	-
Average Unit Size (Rentable / Saleable)	956	956	-	-
Average Rent / Unit	-	-	-	-
Average Rent / SF	\$3.25	-	-	-
Potential Stabilized Net Operating Income	\$194,585	-	-	-
Average Sales \$ / SF	-	\$1.00	-	-
Cap. Rate Estimate	3.85%	-	-	-
Price Estimate	\$6,056,758	\$6,311,900	\$3,305,283	\$2,529,880
Price per unit	\$842,793	\$1,051,987	\$375	\$225
Costs to achieve:				
Less envelope, roof, flashing costs +	(\$1,600,000)	(\$1,600,000)	\$4,075,515	\$3,091,770
Less suite renovation costs	(\$210,000)	(\$450,000)	1450	\$275
Less 15% profit on cost	(\$271,500)	(\$387,500)	(\$79,253)	(\$15,285)
Going in Price Estimate	\$2,975,258	\$3,974,900	(\$79,253)	(\$15,285)
Average per Suite	\$465,275	\$659,050	(\$79,253)	(\$15,285)

- * Costs from RUC Engineering report from December 2019.
- * Option 1 - Assumes building is vacated and all suites leased "at market rates". Costs are reflected at RUC figures plus \$35,000 per suite in interior renovations.
- * Option 2 - Assumes building is vacated and units are sold individually. Costs are reflected at RUC figures plus \$75,000 per suite in interior renovations. Unsure if this scenario is possible given strata will be effectively "ground up" and one title. Potential for buyer to purchase each lot individually.
- * Option 3 - Assumes building demolished (not excluded) and 1.45 FSR possible on site.
- * Option 4 - Assumes building demolished (not excluded) and 1.80 FSR possible on the site. 100% Rental assumed. This would require conditional approval and we have not yet confirmed whether possible with City planning and based upon the site size.
- ** All scenarios require confirmation and are subject to change. We reserve the right to amend should further clarification be provided on any one scenario.

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CONCLUSION

We started by gathering the factual details of your property, then used them as a basis for the income and comparable approaches to valuation. We took into account your property's location, building type and condition, projected income and expenses, as well as the current climate of high demand and scarcity of similar product.

Suggested value

\$3,500,000 – \$4,500,000

Recommended list price

\$4,750,000

VALUATION

We use the most established professional approaches to arrive at the best estimate of value.

VALUATION / RENTAL SCENARIO

PROJECTED RENT ROLL

Strata Lot #	Unit #	Type	# Bathroom(s)	Est. Market Rent (\$)	*Size (SF)	Rent/SF (\$)
1	101	2 bedroom	2 full	3,000	984	3.05
2	201	2 bedroom	2 full	3,100	977	3.17
3	301	2 bedroom	2 full	3,150	977	3.22
4	401	2 bedroom	2 full	3,200	977	3.28
5	501	2 bedroom	2 full	3,250	977	3.33
6**	601	1 bedroom + den.	1 powder + 1 full	3,000	846	3.55
Total	6 suites			\$18,700	5,738	\$3.26

* Measurement taken from strata plan.

** Penthouse unit.

VALUATION / RENTAL SCENARIO**PROJECTED INCOME AND EXPENSES
2020**

Income (projected "at market")			
1	Rent (estimated)	\$18,700 x 12 months	\$224,400
2	Parking (est. \$75 / month) x 10)	\$750 x 12 months	9,000
3	Laundry (in-suite)		-
4	Gross income		233,400
5	Less vacancy at 0.5%		(1,167)
6	Effective gross income		\$232,233
Expenses (estimate based upon industry metrics)			
7	Insurance (normalized)	\$450 per suite/annum	\$2,700
8	License		500
9	Taxes (2020 actual)		12,408
10	Repairs & maintenance	\$700 per suite/annum	4,200
11	Landscaping (2020 budget)		2,500
12	Pest control		500
13	Fire safety (2020 budget)		2,000
14	Garbage	\$220 per suite/annum	1,320
15	Hydro (2020 budget)		1,200
16	Water/sewer (2020 budget)		1,450
17	Elevator (2019 actual)		4,450
18	Caretaker	\$60 per suite/month	4,320
19	Total expenses		(37,548)
20	Net operating income		\$194,685

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VALUATION / CONDO

FAIRVIEW CONDO LISTINGS (JULY 2020)

Address	Age	List Price	Floor Area - Grand Total	Price Per SQFT
207 2988 ALDER STREET	28	\$725,000	821	883.07
201 1616 W 13TH AVENUE	45	\$899,000	1,010	890.1
603 1633 W 8TH AVENUE	26	\$899,900	1,035	869.47
604 2288 PINE STREET	27	\$1,088,000	1,128	964.54
1106 1633 W 8TH AVENUE	26	\$949,900	1,138	834.71
802 2668 ASH STREET	31	\$1,138,000	1,217	935.09
301 2988 ALDER STREET	27	\$949,000	1,264	750.79
#10 766 W 7TH AVENUE	37	\$1,145,000	1,307	876.05
601 1485 W 6TH AVENUE	20	\$1,648,000	1,323	1245.65
1101 1633 W 10TH AVENUE	29	\$2,169,000	1,604	1352.24
724 1445 MARPOLE AVENUE	68	\$1,699,000	1,697	1001.18
204 3133 CAMBIE STREET	28	\$1,359,888	1,699	800.4
1029 W 7TH AVENUE	36	\$1,899,800	1,724	1101.97
TH1 2668 ASH STREET	31	\$1,650,000	1,783	925.41
900 1788 W 13TH AVENUE	24	\$2,298,000	1,804	1273.84
1502 2628 ASH STREET	31	\$2,500,000	1,914	1306.17
PH 1788 W 13TH AVENUE	24	\$3,950,000	2,010	1965.17
800 1685 W 14TH AVENUE	60	\$3,300,000	3,648	904.61
		\$30,267,488	28,126	\$1,076

VALUATION / CONDO

RECENT FAIRVIEW CONDO SALES

Address	Sold Date	Sold Price	Floor Area - Grand Total	Sold Price per SqFt
701 1445 MARPOLE AVENUE	2/7/2020	\$451,000	540	\$835
312 1445 MARPOLE AVENUE	12/24/2019	\$468,000	580	\$807
104 1445 MARPOLE AVENUE	10/17/2019	\$470,000	580	\$810
420 1445 MARPOLE AVENUE	6/22/2020	\$475,000	580	\$819
815 1445 MARPOLE AVENUE	11/20/2019	\$475,000	580	\$819
314 1445 MARPOLE AVENUE	7/6/2020	\$462,500	585	\$791
106 1445 MARPOLE AVENUE	2/13/2020	\$485,000	612	\$792
303 1333 W 7TH AVENUE	5/6/2020	\$570,000	616	\$925
7004 1633 W 8TH AVENUE	1/26/2020	\$675,000	650	\$1,038
802 1686 W 13TH AVENUE	5/16/2020	\$704,900	686	\$1,028
502 1405 W 12TH AVENUE	10/1/2019	\$594,000	696	\$853
215 1236 W 8TH AVENUE	2/21/2020	\$582,000	705	\$826
1305 2668 ASH STREET	9/28/2019	\$612,000	708	\$864
607 503 W 16TH AVENUE	9/6/2019	\$640,000	744	\$860
804 1438 W 7 AVENUE	11/12/2019	\$630,000	760	\$829
602 1445 MARPOLE AVENUE	2/9/2020	\$696,000	772	\$771
208 2201 PINE STREET	2/3/2020	\$640,000	780	\$821
816 1445 MARPOLE AVENUE	3/2/2020	\$900,000	780	\$1,154
106 503 W 16TH AVENUE	10/23/2019	\$580,000	781	\$743
312 503 W 16TH AVENUE	7/17/2019	\$642,000	783	\$820
407 2288 PINE STREET	9/16/2019	\$672,000	788	\$853
122 1445 MARPOLE AVENUE	8/30/2019	\$647,500	797	\$812
105 2628 ASH STREET	12/13/2019	\$657,000	802	\$819
407 2988 ALDER STREET	11/10/2019	\$660,000	804	\$897
616 1445 MARPOLE AVENUE	6/9/2020	\$728,000	820	\$888
620 1268 W BROADWAY	4/19/2020	\$670,000	823	\$814
603 1355 W BROADWAY AVENUE	3/6/2020	\$725,000	840	\$863
303 1166 W 11TH AVENUE	9/24/2019	\$775,000	844	\$918

VALUATION / CONDO**RECENT FAIRVIEW CONDO SALES**

Address	Sold Date	Sold Price	Floor Area Grand Total	Sold Price per SqFt
305 503 W 16TH AVENUE	12/3/2019	\$655,500	847	\$774
102 665 W 7TH AVENUE	3/2/2020	\$870,000	856	\$1,018
301 500 W 10TH AVENUE	11/17/2019	\$755,000	857	\$881
204 2638 ASH STREET	11/10/2019	\$720,000	863	\$834
705 1633 W 8TH AVENUE	11/24/2019	\$780,000	867	\$900
730 1268 W BROADWAY	4/3/2020	\$600,000	897	\$669
406 618 W 14TH AVENUE	12/16/2019	\$756,000	919	\$823
503 500 W 10TH AVENUE	9/6/2019	\$798,000	978	\$816
606 1355 W BROADWAY	3/18/2020	\$820,000	1,010	\$812
603 1616 W 13TH AVENUE	9/20/2019	\$890,000	1,020	\$873
503 1633 W 8TH AVENUE	10/13/2019	\$925,000	1,035	\$894
811 500 W 10TH AVENUE	10/26/2019	\$903,000	1,045	\$864
605 503 W 16TH AVENUE	3/7/2020	\$750,000	1,065	\$704
505 503 W 16TH AVENUE	2/11/2020	\$775,000	1,086	\$714
1401 1590 W 8TH AVENUE	6/12/2020	\$1,087,500	1,093	\$977
111 500 W 10TH AVENUE	10/17/2019	\$780,000	1,095	\$712
704 2288 PINE STREET	7/17/2019	\$950,000	1,128	\$842
1503 1590 W 8TH AVENUE	11/11/2019	\$1,380,000	1,143	\$1,207
203 2438 HEATHER STREET	5/25/2020	\$906,000	1,145	\$790
706 2288 PINE STREET	8/29/2019	\$885,000	1,163	\$761
706 2288 PINE STREET	6/10/2020	\$1,297,000	1,206	\$1,075
201 2438 HEATHER STREET	6/1/2020	\$1,045,000	1,214	\$861
702 503 W 16TH AVENUE	10/30/2019	\$965,000	1,262	\$765
203 3055 CAMBIE STREET	11/13/2019	\$870,000	1,272	\$684
1203 2628 ASH STREET	7/16/2019	\$1,203,000	1,287	\$935
1010 1268 W BROADWAY	3/9/2020	\$958,000	1,288	\$744
501 1616 W 13TH AVENUE	2/26/2020	\$880,000	1,312	\$671

VALUATION / CONDO

RECENT FAIRVIEW CONDO SALES

Address	Sold Date	Sold Price	Floor Area Grand Total	Sold Price per Sqft
601 1616 W 13TH AVENUE	5/18/2020	\$949,000	1,312	\$723
202 1633 W 10TH AVENUE	5/24/2020	\$1,060,000	1,335	\$794
1102 1590 W 8TH AVENUE	10/26/2019	\$1,600,000	1,346	\$1,189
413 1707 W 7TH AVENUE	9/9/2019	\$1,249,000	1,418	\$881
607 518 W 14TH AVENUE	11/14/2019	\$1,240,000	1,426	\$870
801 1337 W 10TH AVENUE	9/11/2019	\$1,420,000	1,495	\$950
601 1337 W 10TH AVENUE	1/14/2020	\$1,460,000	1,495	\$977
502 3055 CAMBIE STREET	9/20/2019	\$970,000	1,556	\$623
601 3055 CAMBIE STREET	8/23/2019	\$1,060,000	1,556	\$681
802 1633 W 10TH AVENUE	10/5/2019	\$1,650,000	1,612	\$1,024
1003 1438 W 7TH AVENUE	4/24/2020	\$1,700,000	1,889	\$900
2 2838 BIRCH STREET	5/21/2020	\$1,685,000	1,932	\$872
PH 1405 W 12TH AVENUE	11/9/2019	\$1,900,000	2,104	\$903
802 518 W 14TH AVENUE	11/16/2019	\$2,070,000	2,738	\$756
		\$61,281,900	72,261	\$849

VALUATION / LAND

Land Sales Activity (RM-Zoned)

Site Name Address	Sale Date	Sale Price	Site Area (SF) (acres)	Sale Price / SF of Site Area	Sale Price PBA	Zoning FSR	Subdivision
Vancouver West							
1 946 W 14th Ave Vancouver	Apr-20	\$2,950,000	6,250 0.14	\$472	\$326	RM-4 1.45	Fairview
* 2 5874 Vine St Vancouver	Apr-20	\$2,550,000	4,735 0.09	\$617	\$425	RM-3 1.45	Kerrisdale - assumed RM-3 at 1.45 FSR
3 10th Vancouver	Sep-19	\$2,300,000	4,250 0.10	\$541	\$373	RM-3 1.45	Fairview - assume RM-3 at 1.45 FSR
4 2125 W 7th Vancouver	Mar-19	\$7,960,000	11,000 0.25	\$724	\$499	RM-4 1.45	Kitsilano
Vancouver East							
5 4967 Main Vancouver	Dec-19	\$3,370,000	5,844 0.13	\$597	\$412	RM-3A 1.45	Main - higher density through OCP
* 6 4987 Main Vancouver	Feb-20	\$3,300,000	5,450 0.13	\$606	\$418	RM-3A 1.45	Main - higher density through OCP
* 7 320 E 15th Vancouver	Oct-19	\$14,500,000	28,398 0.65	\$511	\$365	RM-4 1.40	Mount Pleasant

* Sold by Goodman Commercial

Land Listings (RM-Zoned)

Site Name Address	List Date	Sale Price	Site Area (SF) (acres)	Sale Price / SF of Site Area	Sale Price PBA	Zoning FSR	Subdivision
Redevelopment Sites							
1 2975 Heather Vancouver	2020	\$10,000,000	12,500 0.29	\$800	\$552	RM-4 1.45	Fairview

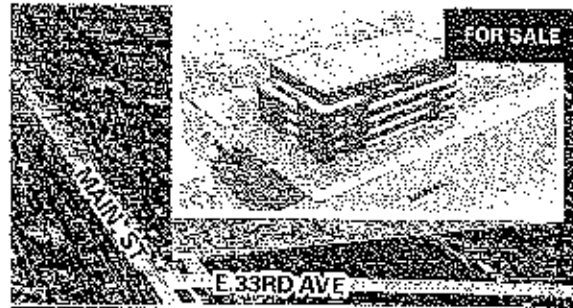
VALUATION / SELECTED LAND LISTINGS & SALES

**DP APPROVED RENTAL PROJECT**

3517 Comox Street, Vancouver

Asking: \$4,500,000

Infill development potential

**SIX-STORY RENTAL SITE**

Corner of Main & East 33rd, Vancouver

Price TBA

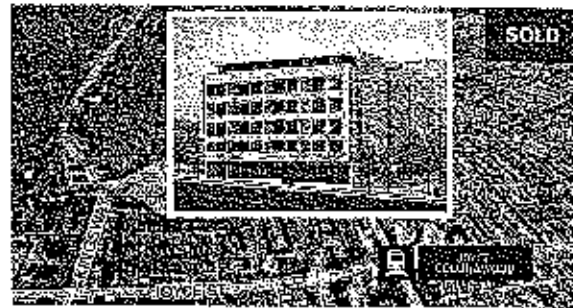
18,487 SF multi-family development site

**APARTMENT WITH DEV. POTENTIAL**

4987 Main Street, Vancouver

Sold \$3,300,000

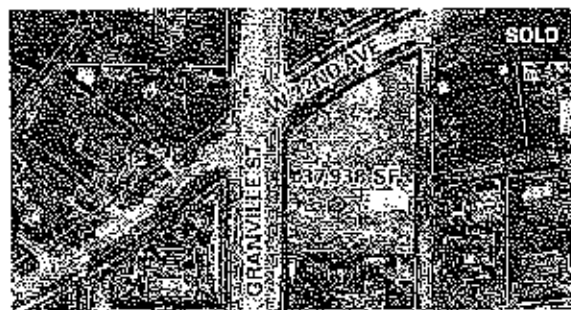
Apartment with redevelopment potential

**MIXED-USE RENTAL DEVELOPMENT SITE**

3075 Kingsway, Vancouver

Sold \$5,575,000

Rezoning has been approved to CD-1

**WESTSIDE RENTAL SITE**

1494 W 32nd Ave & 4750 Granville St, Vancouver

Sold \$12,700,000

Multi-family development site. Total lot area ~38,000 SF

**REDEVELOPMENT SITE**

320 East 15th Avenue, Vancouver

Sold \$14,500,000

Multi-family redevelopment site; 231' x 123' (~28,400 SF)

SHARE DISTRIBUTION

Unit #	Strata lot	Unit entitlement	Interest upon destruction	Interest upon destruction (%)	Share distribution (Interest upon destruction)		
					3.5M	4M	4.5M
101	1	984	123000	16.3%	\$569,444	\$650,794	\$732,143
201	2	977	123000	16.3%	\$569,444	\$650,794	\$732,143
301	3	977	123000	16.3%	\$569,444	\$650,794	\$732,143
401	4	977	127000	16.8%	\$587,983	\$671,958	\$755,952
501	5	977	130000	17.2%	\$601,852	\$687,831	\$773,810
601	6	846	130000	17.2%	\$601,852	\$687,831	\$773,810
Total	6 units	5738	756000	100%	\$3,500,000	\$4,000,000	\$4,500,000

Goodman:

Mark Goodman

Personal Real Estate Corporation
Direct 604 714 4790
mark@goodmanreport.com

Cynthia Jagger

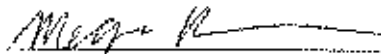
Personal Real Estate Corporation
Direct 604 912 9018
cynthia@goodmanreport.com

goodmanreport.com

Goodman Commercial Inc.
560-2608 Granville Street
Vancouver V6H 3V3

MB

This is Exhibit "C" referred to in the affidavit
of Mark Goodman, affirmed before me on
June 16, 2021



A Commissioner for Taking Affidavits
in British Columbia

MS

ANNUAL GENERAL MEETING**STRATA PLAN VR 456 – SPRUCE WEST**

DATE HELD: Monday, July 13, 2020
LOCATION: Virtual via Zoom
CALL TO ORDER: 7:00 PM

Owners in Attendance: All 6 strata lot owners were present electronically which under Ministerial Order M 114 are deemed to be in person.

Guests: Cynthia Jagger, Goodman Commercial Inc.
 Mark Goodman, Goodman Commercial Inc.

Also in Attendance: J. Garth Cambrey, Court Appointed Administrator

1. CALL TO ORDER

The meeting was called to order by the Court Appointed Administrator, Mr. Garth Cambrey, at 7:09 p.m.

Cynthia Jagger and Mark Goodman of Goodman Commercial Inc. (Goodman) were present at the beginning of the meeting to briefly discuss their marketing scheme and answer questions owner might have. Some of the things discussed included:

- Goodman will be attending the building on July 15th with photographer to view and take photographs of the building and hopefully 2 suites for marketing brochure – Dan Sonnenschein agreed to provide access to the building and offered his strata lot for photographs.
- Goodman to provide an opinion on value using different approaches. Noted the “wildcard” is the cost to repair the building and suggested a market appraisal be obtained by the strata corporation.
- A listing agreement has been signed and Mr. Cambrey was requested to provide a copy to all owners. There was a question on the September 15, 2020 deadline set out in the marketing Request for Proposal (RFP). Mr. Cambrey advised the deadline was a listing goal in the RFP but clarified it is not a requirement set out in the listing agreement.
- Goodman confirmed it has no relationship with any owner.
- Signage will be placed on the property indicating the property is for sale.
- All showings will be by appointment and access to some or all suites may be required.
- Discussion on current zoning.
- In advance of the meeting, Mr. Cambrey provided owners with a list of items required by Goodman, such as a list of strata lots improvements and chattels that are to be excluded from any purchase and sale agreement – owners will need to provide this information to Mr. Cambrey who will pass it on to Goodman.

Ms. Jagger and Mr. Goodman were excused and left the meeting.

2. CERTIFICATION OF PROXIES

Prior to the commencement of the Meeting, it was determined that six (6) votes were present in person and zero (0) votes were present by proxy for a total of six (6) votes.

3. DETERMINATION OF QUORUM

Mr. Cambrey advised that the quorum of two (2) votes had been met and he declared that the meeting was competent to proceed with business.

4. ELECTION OF PERSON TO CHAIR THE MEETING

Mr. Cambrey advised that he would chair the meeting as the sole representative of the Strata Corporation and Strata Council under the terms of the April 17, 2020 Court Order.

5. PROOF OF NOTICE OF MEETING

Owners were advised that Notice of the Annual General Meeting was distributed in accordance with the Bylaws and the Strata Property Act.

It was MOVED AND SECONDED (201/301)

That Proof of Notice of the Meeting be accepted.

A poll vote was taken and the resolution to accept proof of notice of the meeting was declared

CARRIED UNANIMOUSLY

6. APPROVAL OF AGENDA

It was MOVED AND SECONDED (501/601)

That the Agenda distributed with the Notice of Meeting be approved as circulated.

A poll vote was taken and the resolution to approve the agenda was declared

CARRIED UNANIMOUSLY

7. APPROVAL OF THE PREVIOUS MINUTES

It was **MOVED AND SECONDED (301/401)** to adopt the previous Special General Meeting minutes of October 22 and October 29, 2019 as distributed.



There was discussion about possible outstanding invoices due to Clark Wilson for legal services. The administrator advised no such invoices were brought to his attention, but that he would follow up with Clark Wilson if necessary.

A poll vote was taken and the resolution to approve the previous minutes was declared

CARRIED (5 votes in favour, 601 abstained)

8. UNFINISHED BUSINESS

a. ¾ Vote Resolution #1 - Special Levy Refund

It was **MOVED AND SECONDED (301/201)**

WHEREAS:

At the special general meeting held October 22 and 29, 2019, The Owners, Strata Plan VR 456 ("Strata Corporation") passed a ¾ vote to approve a \$1,800.00 special levy for the purpose of obtaining an updated opinion of probable cost for the building envelope remediation from Read Jones Christoffersen Ltd. ("RJC");

AND WHEREAS

The Strata Corporation has collected the special levy from all owners but has not taken, and no longer wishes to take, steps to obtain the updated opinion of probable cost from RJC;

BE IT THEREFORE RESOLVED:

By ¾ vote of Strata Corporation, that the \$1,800 special levy approved on October 29, 2019 be refunded to all strata lots in proportion to unit entitlement and the ¾ vote approved October 29, 2019 be and is hereby rescinded. If special levies are approved later at this meeting, the Strata Corporation may deduct the refund amount due to each strata lot to reduce the amount of other approved special levies.

There was discussion on whether the strata had paid money to RJC for updating the opinion of probable cost.

A poll vote was taken and ¾ Vote Resolution #1 was declared

CARRIED (5 votes in favour, 401 abstained)

9. REPORT OF ADMINISTRATOR

Mr. Cambrey owners were advised of the strata corporation affairs by way of regular email updates and he had nothing further to report at this time.

MB

10. REPORT ON INSURANCE

Mr. Cambrey noted a summary of the insurance coverage carried by the Strata Corporation was attached to the AGM Notice and that details leading up to the insurance renewal on June 1, 2020 were previously provided to all owners.

11. RATIFICATION OF RULES

Mr. Cambrey advised he was not aware of the adoption of any rules being that required ratification. There was no further discussion.

12. APPROVAL OF BUDGET

It was **MOVED AND SECONDED (501/601)**

That the operating budget attached to the Notice of Meeting authorizing \$29,957 in income and expenditures, and the contingency reserve fund budget authorizing \$2,996 in income be approved as circulated.

Dr. Mok remarked that discussion at the information meeting held June 3, 2020 included discussion about "variances" on the part of the treasurer and questioned what, if anything came from that discussion.

Mr Cambrey reported that following the information meeting he was made aware of fire stopping work being completed in the exit stairs (that is or was falling out) allegedly without proper approval. It is also alleged that the work completed would cost about \$13,000 to remove, according to the Columbia Seal quotation obtained in 2019 for the fire stopping repair. Dan Sonnenschein commented that Columbia Seal was in contact with the City of Vancouver when preparing its quotation.

Mr Cambrey advised the fire stopping repairs remain unresolved, as the work has not been completed. He further advised that the matter of fire stopping repairs was on the agenda and would be considered when the matter of the outstanding City Work Order was discussed.

The matter of banking arrangements suggested by Mr. Cambrey was briefly discussed.

A poll vote was taken and the budget was declared

CARRIED (5 votes in favour, 401 abstained)

Mr. Cambrey advised the approved budget and new strata fees are effective August 1, 2020.

Financial Information for the Period Ending April 30, 2020

Mr. Cambrey referred owners to the financial information for the fiscal year ending April 30, 2017 attached to the Notice of Meeting. He noted that approval of the financial information is not required under the provisions of the *Strata Property Act*.

There was no discussion.

13. NEW BUSINESS

a. 3/4 Vote Resolution #2 - Waiver of Depreciation Report

It was **MOVED AND SECONDED (501/601)**

WHEREAS:

The Owners, Strata Plan VR 456, ("Strata Corporation") wish to defer obtaining a Depreciation Report as required under section 94 of the *Strata Property Act* until the conclusion of the Administrator's appointment;

BE IT RESOLVED:

By a 3/4 vote of the Strata Corporation that the requirement for the Strata Corporation to obtain a Depreciation Report is waived.

A poll vote was taken on 3/4 Vote Resolution #2 and it was declared

CARRIED UNANIMOUSLY

b. 3/4 Vote Resolution #3 - City Work Order

It was **MOVED AND SECONDED (501/601)**

WHEREAS:

The City of Vancouver ("City") has issued a work order ("City Work Order") for The Owners, Strata Plan VR 456 ("Strata Corporation") to immediately repair the exit stairs in its building;

AND WHEREAS:

The Administrator has obtained a proposal dated June 16, 2020 from Read Jones Christoffersen Ltd. ("RJC") to design and oversee the repairs necessary to satisfy the City Work Order for an estimated fee of \$8,000;

AND WHEREAS:

The Administrator has, with the assistance of RJC, estimated the cost of the exit stair repairs, including RJC's fees, to be approximately \$50,000;

MB

BE IT RESOLVED

By a ¾ Vote of the Strata Corporation, that a special levy in the aggregate amount of Fifty Thousand Dollars (\$50,000) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of paying RJC to design temporary shoring to eliminate the life safety risk of the exit stairs, and oversee the temporary shoring work and fire stopping installation in accordance with its June 16, 2020 proposal and the City Work Order. Such special levy shall be due immediately but may be paid, for convenience purposes only, in 4 equal installments due July 1, August 1, Sept 1 and October 1, 2020 in proportion with unit entitlement as set out in Schedule "A", below.

SCHEDULE "A"

**THE OWNERS, STRATA PLAN VR 456 - Spruce West
 SPECIAL LEVY SCHEDULE
 City Work Order**

TOTAL SPECIAL LEVY		\$50,000.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$8.71384

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY	Equal Installments due July 1, August 1, September 1 & October 1, 2020
1	101	984	\$8,574.42	\$2,143.61
2	201	977	8,513.42	2,128.36
3	301	977	8,513.42	2,128.36
4	401	977	8,513.42	2,128.36
5	501	977	8,513.42	2,128.36
6	601	846	7,371.91	1,842.98
TOTAL	TOTAL	5,738	\$50,000.01	\$12,500.03

Mr. Cambrey advised that he was obligated to have the work ordered by the City completed based on his discussions with the City inspector about the life safety issue with the stairs as identified by RJC in its recent report. There was considerable discussion about Strata Corporation's obligation to complete the work ordered by the City and comments that a different engineer with RJC had previously stated the exit stairs were not a life safety issue.

MB

It was then **MOVED AND SECONDED (401/201)**

That $\frac{1}{4}$ Vote Resolution #3 be amended to require equal instalment payments on August 1, September 1, October 1 and November 1, 2020.

A poll vote was taken on the amendment and it was declared

CARRIED UNANIMOUSLY

Following discussion, a poll vote was taken on $\frac{1}{4}$ Vote Resolution #3 as amended and it was declared

CARRIED (5 votes in favour, 401 abstained)

c. $\frac{1}{4}$ Vote Resolution #4 – RJC and Fairlane Expenses

It was **MOVED AND SECONDED (601/301)**

WHEREAS:

The Owners, Strata Plan VR 456 ("Strata Corporation") has received invoice #317168 dated May 26, 2020 from Read Jones Christoffersen ("RJC") in the amount of \$2,052.75 for an opinion on the structural integrity of the building's exit stairs as requested by the Administrator;

AND WHEREAS:

The Strata Corporation has received three repair estimates (2463, 2464, and 2465) dated November 8, 2019 from Fairlane Fire Protection Ltd. ("Fairlane") totaling \$2,282.29 and wishes to proceed with the quoted repairs;

AND WHEREAS:

The Strata Corporation does not have sufficient money in its operating or contingency reserve funds to pay for the RJC invoice and quoted Fairlane repairs;

BE IT RESOLVED

By a $\frac{1}{4}$ vote of the Strata Corporation, that a special levy in the aggregate amount of Four Thousand Five Hundred Dollars (\$4,500) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of paying RJC invoice #317168 and Fairlane repairs set out in estimates 2463, 2464 and 2465. Such special levy shall be due immediately but may be paid, for convenience purposes only, on July 1, 2020 as set out in Schedule "B" below.

MB

SCHEDULE "B"

**THE OWNERS, STRATA PLAN VR 456 - Spruce West
SPECIAL LEVY SCHEDULE
Fairlane Fire Protection and RJC Expenses**

TOTAL SPECIAL LEVY		\$4,500.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$0.78425

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY
1	101	984	\$771.70
2	201	977	766.21
3	301	977	766.21
4	401	977	766.21
5	501	977	766.21
6	601	846	663.47
TOTAL	TOTAL	5,738	\$4,500.01

Following discussion, a poll vote was taken and $\frac{2}{3}$ Vote Resolution #4 was declared

DEFEATED (3 votes in favour, 101, 201 and 401 opposed)

d. $\frac{2}{3}$ Vote Resolution #5 – Administrator Fees and Disbursements

It was **MOVED AND SECONDED (501/601)**

WHEREAS:

The Owners, Strata Plan VR 456 ("Strata Corporation") is required to pay Administrator fees and disbursements from its operating or contingency reserve fund pursuant to the BC Supreme Court consent order dated April 17, 2020;

AND WHEREAS:

The Strata Corporation has received invoice #1523 dated June 11, 2020 from the Administrator in the amount of \$4,885.00 and is not presently able to pay the invoice due to the current fund account balances and projected expenses;

AND WHEREAS:

The Strata Corporation wishes to raise funds to pay for Administrator invoices, including invoice #1523 already received;

MB

BE IT RESOLVED

By a ¾ vote of the Strata Corporation, that a special levy in the aggregate amount of Twenty-One Thousand Dollars (\$21,000) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of increasing the contingency reserve fund and to pay the Administrator's invoices. Such special Levy shall be due immediately but may be paid, for convenience purposes only, in 3 equal installments on July 1, August 1, and September 1, 2020 as set out in Schedule "C" below.

SCHEDULE "C"

**THE OWNERS, STRATA PLAN VR 456 - Spruce West
 SPECIAL LEVY SCHEDULE
 Administrator Fees & Disbursements**

TOTAL SPECIAL LEVY		\$21,000.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$3.65981

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY	Equal installments due July 1, August 1, and September 1, 2020
1	101	984	\$3,601.25	\$1,200.42
2	201	977	3,575.64	1,191.88
3	301	977	3,575.64	1,191.88
4	401	977	3,575.64	1,191.88
5	501	977	3,575.64	1,191.88
6	601	846	3,096.20	1,032.07
TOTAL	TOTAL	5,738	\$21,000.01	\$7,000.01

Michelle Bergeron Mok requested clarification on a recent July 8, 2020 invoice from Lesperance Mendes forming part of Mr. Cambrey's invoice for June 2020 services. Mr. Cambrey advised he would obtain further details from Paul Mendes.

Dr. Mok raised the possibility of the strata corporation retaining legal counsel. Mr Cambrey advised that Paul Mendes, although retained by Mr. Cambrey, is effectively acting for the strata corporation because Mr. Cambrey, as Administrator, must act in the best interests of the strata corporation. He also stated that in the case of a dispute between Mr. Cambrey and the strata corporation, Mr. Mendes would not be able to assist the strata corporation.

Mr. Cambrey advised that if the strata corporation wanted to retain separate legal counsel, he would provide assistance.



It was then **MOVED AND SECONDED (601/301)**

That $\frac{3}{4}$ Vote Resolution #5 be amended to require equal instalment payments on August 1, September 1, and October 1, 2020.

A poll vote was taken on the amendment and it was declared

CARRIED UNANIMOUSLY

Following discussion, a poll vote was taken on $\frac{3}{4}$ Vote Resolution #5 as amended and it was declared

CARRIED (5 votes in favour, 401 abstained)

e. **$\frac{3}{4}$ Vote Resolution #6 – Market Appraisal**

$\frac{3}{4}$ Vote Resolution #6 proposing a special levy for the purpose of obtaining a market appraisal on the property was moved by 601. Given the motion was not seconded, $\frac{3}{4}$ Vote Resolution #6 was not discussed.

14. ADJOURNMENT

There being no further business owners were thanked for their attendance and the meeting was terminated at 9:40 p.m.

MB

This is Exhibit "D" referred to in the
affidavit of Mark Goodman, affirmed before

June 10th, 2021

MS


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
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**Goodman
report:
2020**

Mid-Year Metro Vancouver
Rental Apartment Review

MB

STAYING SAFE BUT KEEPING BUSY

In this Issue of the Goodman Report, we answer some of the many questions you've asked us about the rental apartment industry lately. You'll see why we believe rental is the most steadfast asset class for real-estate investors in the "new normal" environment.

Despite the pandemic, our market has been busier than usual for the summer. We've been inundated with proposals and have a multitude of active listings and pending sales. This signals a busy fall coming up for transactions.

In our sales activity since COVID-19 hit B.C., we're not seeing changes in price so far, but we've made changes in how we work with buyers and sellers, including our process for touring buildings.

Here's one wild thing we've heard and we'd like you all to watch out for it. Three clients have told us recently that they've experienced theft or fraud by their property caretakers or managers. Once we started discussing it, we

realized everyone's got a story. It seems more prevalent than one would expect. In this report, we fill you in on what we've heard.

On the financial side, the Province of B.C. has made various announcements including new repayment plans for tenants in rent arrears. In this report, we'll tell you more. Plus some very low new mortgage quotes just came in: 5-year at 1.3% and 10-year at 1.7%, both CMHC-insured.

Now before we launch in, we're excited to tell you about the new art we're displaying in large format at Goodman Commercial. As strong supporters of the visual arts, we're honoured to collect these special works by internationally renowned American photographer Jeffrey Milstein. These images of ports and golden waters inspire us with their vitality and emotive power. We hope you'll enjoy seeing them in this issue of the Goodman Report, just as we enjoy seeing them as they hang in our office.



Riverport Flats
14000 & 14088 Riverport Way, Richmond
2 side-by-side waterfront apartment buildings
135 units
Asking \$50,295,000



Mixed-use high-rise site
10336-64 133A St. & 13360-00 103A Ave, Surrey
1.16-acre high-density development site
Surrey City Centre
Asking \$33,800,000



Mayflower Place
Corner of West 4th Ave & Stephens St
38-suite mixed-use building in the heart of
Kitsilano. C-2 zoned corner lot.
Call for price



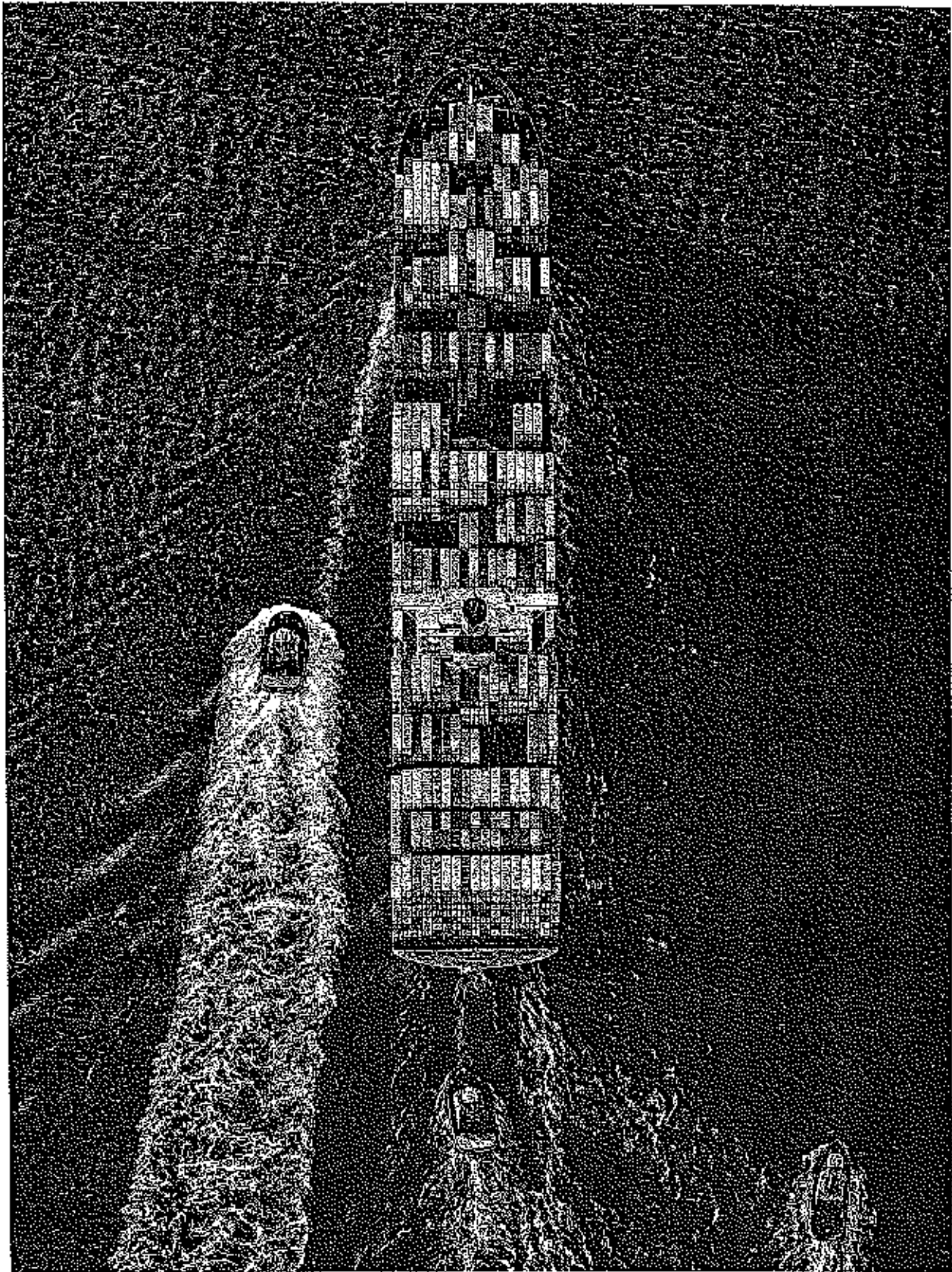
Development site
5056-5076 Earles St, Vancouver
Pilot-to-let in place - 05 strata units proposed
Norquay Village neighbourhood
Call for price



Spruce West
1089 West 13th Avenue, Vancouver
6-unit concrete apartment mid-rise
Central Fairview location
Asking \$4,750,000



645 East 44th Avenue
Vancouver
16 suites in Fraser / Main neighbourhood
\$320,000 per unit
Asking \$5,250,000



Jeffrey Malsinin, Container Ship and Tugs, Upper Bay NY, 43" x 46", 2018, Bontram + Jagger Collection, Vancouver.

MB

MULTIFAMILY RENTALS REMAIN THE BEST BET FOR INVESTORS

You asked, we answered: The outlook for this asset class in Metro Vancouver

Amidst the global pandemic, Goodman Commercial Inc. sold a West End concrete rental tower for \$52 million. During this same period, Metro Vancouver's multifamily sales volume within the first quarter of 2020 increased 903 per cent from the same period a year earlier. This is compelling evidence that the region's multifamily sector remains the best bet for real-estate investors, regardless of current economic conditions.

Q: I hear cap rates are increasing. Is this true?

A: Cap rates reflect risk; the higher the risk, the higher the cap rate. This is why rates for Metro Vancouver apartment buildings have stayed consistently low over the last 15 years; the asset class is very stable. A modest increase in cap rates occurred between 2018 and 2019 because of massive government intervention; however, they remain low, around 3 per cent in Vancouver. It's premature to forecast any long-term adverse impact of the pandemic, and in fact we remain optimistic. Our recent trades have demonstrated the same pricing we forecast months ago for both land and apartment buildings.

Q: What happened in the 2008 recession to this asset class? What can this tell us about economic conditions today?

A: Multifamily saw the strongest recovery among all commercial real-estate sectors following the 2008 global financial crisis, across North America, including Canada. The total dollar volume for multifamily asset transactions was 12 per cent higher year-over-year. As the Goodman Report reported at the time, the average per-suite price for a Metro Vancouver apartment building was up 3 per cent from 2008 to 2009. In summer 2009, as an example, apartment buildings in Kitsilano sold for an average of \$318,729 "per door," 23 per cent higher than a year earlier. Following a period of lower transaction volume in Q2 and Q3 2020, we anticipate a similar increasing trend in transactions moving toward the end of this year.





Podcasts, webinars and op-eds: Oh my!

Check out some of the media we've done lately. We talk about the rental market, affordable housing, the impact of COVID-19 on real estate and more: www.goodmanreport.com/market-insights/

Q: What has the non-payment rate been for apartment buildings, from your discussions with landlords?

A: In April, according to an exclusive survey of landlords conducted by Goodman Commercial Inc., many owners of large-scale properties reported that 95 to 97 per cent of Metro Vancouver tenants paid their rent in full. Two major landlords with thousands of units in B.C. reported to us that fewer than 5 per cent of their tenants failed to pay the full rent again in May. This contrasts with the rest of the commercial sector, where about 20 per cent of retail tenants and 14 per cent of office tenants and those leasing industrial space had failed to pay the full rent since the pandemic began.

Though rental housing providers have allocated many resources to ensuring that payments are made and that buildings are operating smoothly, professionally managed buildings should have few problems attracting and retaining good tenants, of whom there are many.

Q: I hear that vacancy rates are up and that rents are declining. Thoughts?

A: In the short term, rental vacancies will likely increase. This is understandable during a pandemic, given the inability to show suites, some forced moves and doubling up due to job losses, and a reduction in the number of student rentals due to school closures and travel bans. There's also uncertainty over government policies and procedures. But this all suggests a short-term situation, similar to how we came out of the global financial downturn a decade ago. Despite the pandemic, our internal surveys show impressive stability in the local rental market. While some landlords are experiencing challenges, most are optimistic, moving forward as the economy slowly opens up.

Our take: There are still simply not enough rentals for our growing population over the longer term. Vacancy rates will remain low, and rental rates will correspondingly increase.

Q: Is new construction for rental going to decline?

A: Yes. It was already on the decline, and we fear it will fall further in many areas, despite demand and the lack of new rental options. This is due to the Byzantine regulations,

fees and planning processes that for decades have kept new market rentals from being delivered in the numbers required. It now takes an average of seven years for a Vancouver purpose-built rental project to move from permit application to construction, according to the Urban Development Institute. Given the current environment, we don't expect any sudden improvement to that scenario.

Q: What impact will the refinancing of CMHC-insured mortgages for rental properties have?

A: CMHC is the only provider of mortgage insurance for multifamily (five units or more) apartment buildings in Canada. Generally, the agency has been a positive influence. Announced on May 28, this change limits the existing equity take-out to spending on rental housing. New purpose-built rental housing construction is exempt, however. In all other cases, equity take-outs can be used for buying another rental property, making capital improvements to an existing rental property, providing funds for construction of a rental property or repaying existing debt.

We anticipate that this change will have a minor effect on most multifamily landlords, many of whom take advantage of the very low mortgage rates afforded by CMHC insurance. However, CMHC is in consultation with the multifamily industry, and more modifications may be forthcoming as details are slim at this time. We'll report on any meaningful information as it becomes available.

Q: What's your outlook for Metro Vancouver's multifamily market?

A: Sales volume of multifamily apartment buildings in Metro Vancouver increased 903.8 per cent in the first quarter of 2020 to \$623 million, when compared with Q1 of 2019, as reported by the Real Estate Board of Greater Vancouver. This was the greatest increase of any commercial real-estate sector within the equivalent period. Various factors – high immigration, an increase in young tech workers, a demographic move towards downsizing, the continued financial barriers to home ownership, low interest rates, a desire to move cash into hard assets, and the slow delivery of new rental supply – will continue to keep Metro Vancouver multifamily investment the best bet for investors in 2020 and beyond.

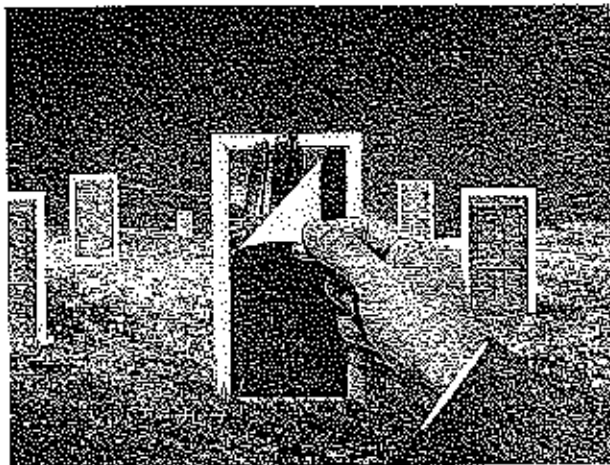
BUILDING MORE RENTAL HOUSING IS A WIN-WIN FOR CITIES AND PEOPLE

For civic leaders there's a route through the housing crisis, but it requires more innovative thinking and a reversal of tired policies

COVID-19 has exposed Metro Vancouver's municipalities to intense financial pressure, as civic facilities have shut down and tax revenues have declined. The City of Vancouver has projected a \$152-million loss for 2020. Coquitlam says its operating deficit could reach \$6.5 million this year. Surrey forecasts a budget shortfall of up to \$42 million. Many other municipalities are in the same boat.

At the same time, the rental housing shortage is stark. The pandemic temporarily derailed a recovering housing market, with sales down 50 per cent in April from a year earlier. Since that time, transaction volumes have increased significantly; June and July have fared exceptionally well as people jump back into the housing market, with July being the strongest level of sales in 3 years as reported by the Greater Vancouver Real Estate Board. From our discussions with industry stakeholders, the effects of COVID from a financial perspective have been harder felt by those at the lower end of the income brackets. The simple truth is that many tenants who would have become homeowners have remained and will remain renting for some time to come as the economy recovers.

For civic leaders, there's a route through this crisis, but it requires more innovative thinking and a reversal of tired policies.



Three years ago, when Metro Vancouver was seeing a spike in home prices, three tiers of government intruded into the market with myriad policies to weaken demand. These included the world's highest foreign home buyer tax, the mortgage stress test, an increased property transfer tax on higher-value properties, rental-only zoning used to downzone demand in some municipalities, and the addition of school and speculation taxes on development land.

The interventions temporarily chilled housing sales, but they've largely failed in their quest to address the housing shortage or meet a reasonable person's definition of affordability. In June 2020, Metro Vancouver home prices were at a composite benchmark of \$1.025 million; 2.7 per cent higher than in June 2017. The rental vacancy rate remains at around 1 per cent, rental rates have increased, and – most troublingly – new rental construction has fallen. According to CMHC, in April only 257 new rental units started construction in the Metro region, down from 775 in the same month last year. Only 372 rental apartments have started in the City of Vancouver so far in 2020, down from 954 at the same time last year. And rental starts could fall further.

In a special housing report released May 27 in reaction to the pandemic, CMHC's CEO Bob Dugan forecast that B.C. housing starts could fall up to 50 per cent this year and that housing sales would decline 31 per cent, compared to a year ago. This could translate into both lower supply and higher demand for rental units across Metro Vancouver.

Because of the pandemic's impact on incomes, some tenants may retreat from the rental market in the short term (doubling up or moving back in with family), but they'll eventually make it back into the rental pool. The *Vancouver Courier* reported July 24th, 2020, that "at least 1.5 million Canadians have moved back in with their parents, according to a national survey by Finder.com." First-time buyers have traditionally made up 51 per cent of homebuyers, but that fell to less than 47 per cent in 2019, according to the Canadian Real Estate Association. Now an even larger number of potential first-time buyers will remain renters this year. This is especially true in Vancouver, which has Canada's highest housing costs.



Cynthia Jagger and Mark Goodson, principals of Goodman Commercial, standing in front of Vancouver City Hall.

The only solution to higher rental demand is quickly to increase the supply and availability of additional housing options.

It's time for policy to fast-track the planning, approval and construction of rental units across Metro Vancouver. Municipalities need to amend existing processes to get more rentals built faster.

But how?

The City of North Vancouver provides some clues. With a population of fewer than 60,000, North Van accounted for 20 per cent of all the rental housing starts in Metro Vancouver through the first four months of this year. Furthermore, the majority of its 348 new rental apartments started are aimed at moderate incomes. To create incentives for rental, the City provides a density bonus for rental housing projects, waives community amenity contributions for purpose-built rentals and reduces parking requirements. Vancouver and other municipalities have similar incentives but see fewer rental starts per capita. Clearly, more could be done, and it starts with slashing through the civic bureaucracy surrounding the delivery of units.

Some ideas to increase the number of rental projects in Vancouver's pipeline:

1. Eliminate enquiry required for rezoning

We endorse Mayor Kennedy Stewart's recommendation of May 10, 2020 to eliminate the need for a rental developer to submit an enquiry to the City before filing a rezoning application. The rezoning enquiry isn't mandated by either the Vancouver Charter or the City's zoning and development bylaw. Introduced five years ago to streamline the process, this step now often involves hundreds of pages of correspondence and takes a year or more to complete, rental developers say.

2. Eliminate public hearings for conforming rental projects

Vancouver and other cities should eliminate public hearings during rezoning applications for rental projects that already conform to local area plans and city policies. Even if a development checks all the boxes, it can be delayed for months and/or truncated in size during public hearings that can be dominated by "not-in-my-backyard" speakers. We've seen this play out before, and we'll see it again.

A recent report by Altus Group shows that nearly three-quarters of Vancouver rental development applications submitted in 2017 were still being studied as of the end of 2019.



Geo-Ann Apartments
310 East 13th Avenue, Vancouver

26 suites in Mount Pleasant
Corner lot only one block east of Main

Asking \$10,800,000



Hawthorne at Timber Court
2670 Library Lane, District of North Vancouver

Brand new luxury apartment building
75 suites in the heart of Lynn Valley

Call for price



Six-storey rental site
Corner of Main & East 33rd, Vancouver

18,487 SF multi-family development site
Plans submitted -- 69 units proposed

Call for price

3. Bring on incentives, including GST waiver

Incentives go a long way and may need to increase, given the new normal. Savings on fees -- both municipal and regional -- would aid in making projects feasible. A GST waiver would be the single most significant way to get more rental housing built on a national basis.

4. End moratorium on demolitions of older rentals

We continue to advocate for an end to the moratorium on the demolition of older rental stock. This moratorium is still in place in Vancouver and some other jurisdictions after more than a decade. The majority of the Metro Vancouver rental stock is more than 50 years old and in dire need of upgrades. Allowing its replacement would encourage construction of modern, more sustainable projects with increased rental units; for instance, ones made from sustainable B.C. wood, which are now allowed for structures up to 12 storeys.

Metro Vancouver needs to build at least 30,000 new rental units over the next two years to balance supply with demand, according to 2019 data from GWL Realty Advisors. Starting even half of these units would put us at least somewhat on the way to a future with new rentals instead of aging low-density buildings and basement suites.

While challenging us all, COVID-19 opens a door to think again -- to switch from the failed emphasis on reducing demand to a fresh approach on increasing construction of new rentals. Many projects that may have previously pencilled could sit idle, especially in light of changing parameters and a lack of construction cost reductions. While the focus should be on improving the rental inventory, any increase in multi-family housing will aid tenants since, in many areas of Metro Vancouver, a quarter of condominiums become rental units.

Even amidst COVID-19, there's a chance to alter Metro Vancouver's rental housing woes significantly as we move forward. Who's willing to step up?

Property management: Is crime on the rise?

Recently, three different clients have told us they've experienced theft or fraud from property caretakers or managers, in some cases, going undetected for years.

Some examples we've heard:

- Pocketing cash payments made for parking while telling the owner that there was no charge for stalls.
- Having tenants move in and pay the manager in cash for the first few months, while telling tenants that the owner doesn't have direct deposit set up yet and telling the owner that the suite isn't rented yet.

- Rent rolls show many vacant units, but when touring the building, all suites full.
- Billing fraud: Double-billing for cleaning; double-billing for odd jobs; getting two roofing companies to bill for work completed; submitting receipts for supplies that are not on site, etc.

We're not sure how common these irregularities are, so we wouldn't necessarily go so far as to call them trends. That said, we're in very unusual times, so please do be mindful of monitoring your properties. Additionally, hiring a firm to benchmark your expenses vs. the market can illuminate any irregularities which can then be investigated further.

YEAR-TO-YEAR COMPARISON

Metro Vancouver transactions and dollar volume down; prices up

The numbers are in. Time to update you on Metro Vancouver's multifamily market, comparing the first half of this year's sales activity with the same period last year.

As suspected, following an active first quarter, the number of overall transactions was down in the first half of 2020, due in large part to being hit with COVID-19 in March. One of the challenges to selling buildings in the second quarter involved the access restrictions imposed upon the rental industry (which were necessary at the pandemic's outset). These restrictions have since been lifted. We are now seeing a positive change in sentiment in B.C and a resurgence in sales activity as buyers and sellers get back to business.

At mid-year 2020, Metro Vancouver witnessed a 36% decline in the number of apartment building transactions as compared to the first half of 2019. City of Vancouver sales activity was generally on par with the prior year,

however, it was the suburbs which experienced a significant decline, pulling the overall figures into the red.

Total dollar volume overall was only down 7% as compared to last year for all of Metro Vancouver. But in looking at the City of Vancouver and the suburbs separately – the city itself actually showed a large increase in volume up to \$383 million – a 193% increase from a year earlier. This is due to four major concrete high-rise transactions. The suburbs, on the other hand, declined 73% in terms of total volume, to \$106 million.

The average price per unit for Metro Vancouver increased by 20% to \$442,000, but again, we must look at the city and the suburbs separately to understand the trends – the City of Vancouver was up 23%, while the suburbs were down 22% on average. City neighbourhoods, especially East Vancouver, saw dramatic increases on average price per unit values which is due to one large new construction

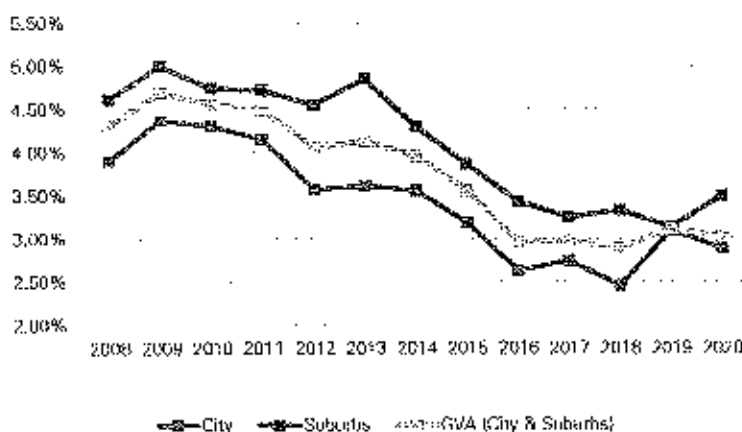
transaction which skewed the average considerably. A further high-rise in Kerrisdale featured infill potential which also skewed price per unit averages upwards for the Westside. Additionally, we suspect that the suburbs experienced an overall decline in value due to the slow down of properties being purchased as development sites. Municipal policy shifts and provincial taxes dampened land acquisitions. For example, Burnaby implemented complicated, burdensome redevelopment policies such as an aggressive tenant relocation program, threats of vacancy control, cumbersome and opaque policy changes as well as a rezoning application freeze. This resulted in major declines in sales activity.

While the first half of 2020 was a tale of two quarters, we can safely say that activity has picked up in July and August this year. Based upon this resurgence, we would anticipate an upswing in sales by year end, with values holding steady.

And, finally, we are proud to say that Goodman Commercial closed more apartment building transactions in Metro Vancouver (9 in total) than any other commercial real estate firm in the first six months of 2020*. We continue to be grateful for the opportunity to assist our clients through the sales process and to put our ever increasing knowledge and experience to work for this complex and amazing industry. Please feel free to call Mark or Cynthia to discuss further.

* Based upon Realnet search January 1, 2020 to June 30, 2020 for apartment building sales in Metro Vancouver

Metro Vancouver rental apartment cap rates
A 13-year picture (2008–2020)



Source: RealNet

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ACTIVITY HIGHLIGHTS: 2020 COMPARED TO 2019

First six months | January 1 to June 30, 2020

Building transactions	2020	2019	% change
Vancouver	17	18	-6%
Suburbs	10	24	-58%
	27	42	-36%

Number of suites sold	2020	2019	% change
Vancouver	722	304	+138%
Suburbs	386	1,131	-66%
	1,108	1,435	-23%

Dollar volume	2020	2019	% change
Vancouver	\$383,390,000	\$131,025,125	+193%
Suburbs	\$106,470,000	\$397,543,400	-73%
	\$489,860,000	\$528,568,525	-7%

Avg \$/suite	2020	2019	% change
Vancouver	\$531,011	\$431,004	+23%
Suburbs	\$275,829	\$351,497	-22%
	\$442,112	\$368,340	+20%

Building transactions

Average price

City	2020	2019	2020 \$/suite	2019 \$/suite	% change
Vancouver					
Eastside	4	8	\$546,558	\$392,802	+39%
Kerrisdale	1	0	\$804,598	N/A	N/A
Kitsilano	1	3	\$420,090	\$528,871	-21%
South Grenville	2	2	\$470,370	\$521,895	-10%
Marpole	1	4	\$305,000	\$346,639	-12%
West End	8	0	\$474,966	N/A	N/A
Suburbs					
Burnaby	1	5	\$608,000	\$549,003	-9%
New Westminster	2	5	\$268,927	\$214,840	+25%
North Vancouver	1	7	\$373,000	\$588,103	-37%
Surrey	1	3	\$188,889	\$185,430	+2%

2020 APARTMENT BUILDING SALES METRO VANCOUVER

First six months | January 1 to June 30, 2020

ADDRESS	SUITES	PRICE (\$)	AVG \$/SQFT
Vancouver (Eastside)			
* 4987 Main St (DS)	8	\$3,300,000	\$412,500
610 E 6th Ave	11	4,200,000	381,818
1037 E 8th Ave	26	7,500,000	288,462
333 E 11th Ave (EST, HR, SP, MCD)	287	120,000,000	594,059
	247	\$135,000,000	\$546,559
Vancouver (Kerrisdale)			
6456 Balsam St (HR, DS)	87	\$70,000,000	\$804,598
Vancouver (Kitsilano)			
2879 W 4th Ave	10	\$4,200,000	\$420,000
Vancouver (South Granville)			
* 1266 W 13th Ave	44	\$19,600,000	\$446,455
* 1569 W 12th Ave	10	5,800,000	580,000
	54	\$25,400,000	\$470,370
Vancouver (Marpole)			
6715 Osler St	30	\$9,150,000	\$305,000
Vancouver (West End)			
878 Gifford Street	26	\$13,500,000	\$540,000
* 1175 Pacific St	23	8,000,000	347,826
* 1122 Burnaby St	23	8,600,000	417,391
1555 Harwood St (HR)	41	20,200,000	492,683
* 1019 Bute St	16	8,500,000	531,250
* 1230 Nelson St (HR)	107	52,000,000	485,981
1371 Harwood St (MR)	35	16,440,000	469,714
1537 Burnaby St (SP)	24	11,400,000	475,000
	294	\$138,640,000	\$474,966

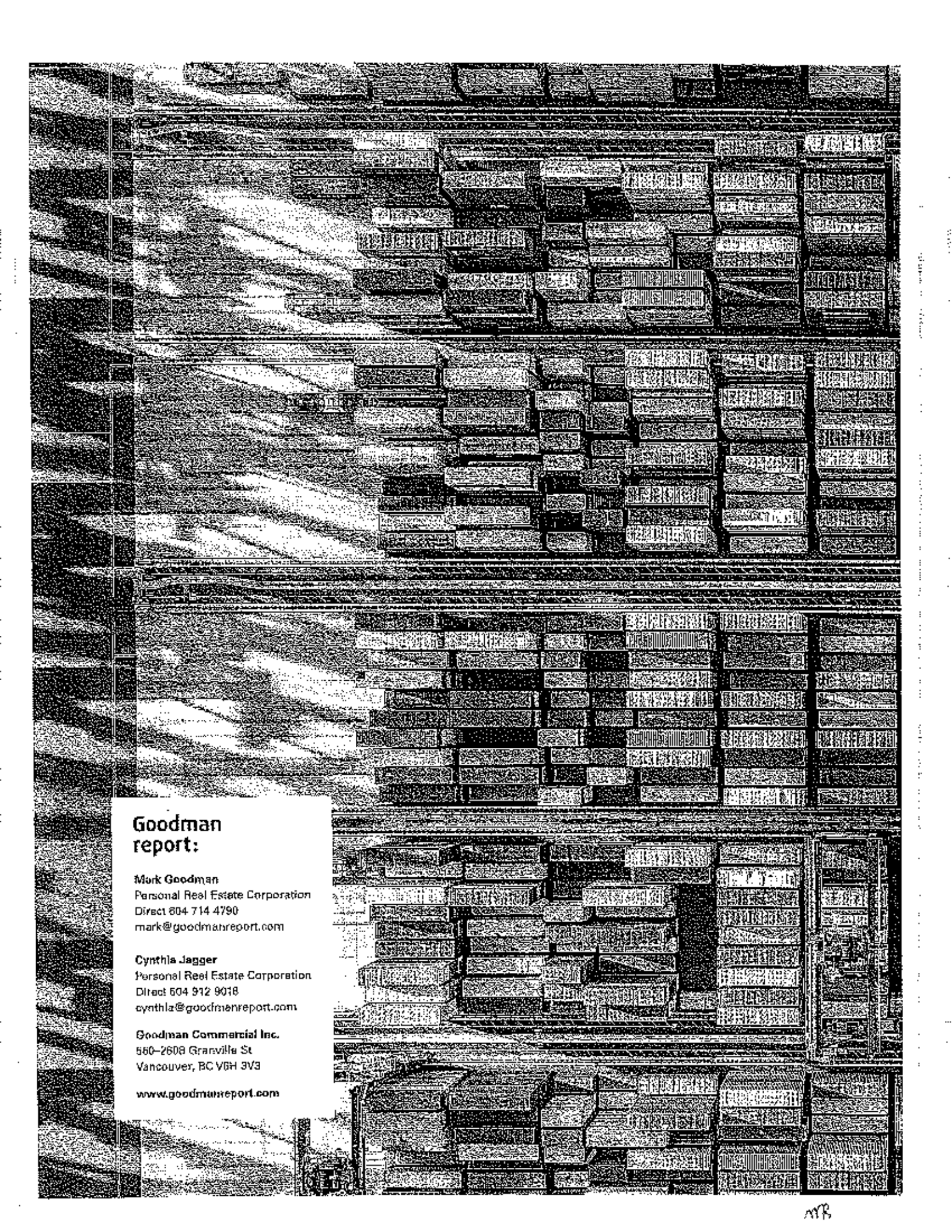
* Sold by The Goodman Team

ADDRESS	SUITES	PRICE (\$)	AVG \$/SQFT
Burnaby			
6540 Marlborough Ave (SP, DS)	30	\$15,000,000	\$500,000
Coquitlam			
1175 Pipeline Road (DS)	35	\$13,000,000	\$371,429
Langley			
20080-90 Eastleigh Cres (IH, DS)	14	\$6,000,000	\$428,571
Maple Ridge			
22182 Dewdney Trunk Rd	30	5,450,000	181,667
21389 River Rd	6	1,280,000	215,000
22325 St. Anne Ave (NC)	60	11,000,000	186,667
	102	\$17,740,000	\$173,922
New Westminster			
* 375 Ash St	27	\$5,600,000	\$207,407
508 Agnes St (NC, HR)	150	42,000,000	280,000
	177	\$47,600,000	\$268,927
North Vancouver			
* 132 W 4th Ave	30	\$3,730,000	\$378,000
Surrey			
13481 King George Blvd (MU)	18	\$3,400,000	\$188,889

The sale information provided is a general guide only. There are numerous variables to be considered such as:

1. Suite mix
2. RenVSF
3. Rent/leaseable area
4. Buildings' age and condition
5. Location
6. Frame or highrise
7. Strata vs. non-strata
8. Land value (development site)
9. Special financing

- (HR) Highrise
- (MR) Midrise
- (TH) Townhouse
- (ST) Strata
- (DS) Development site
- (EST) Estimated price
- (SP) Share purchase
- (NC) New construction
- (MU) Mixed-use
- (CO) Co-op
- (RH) Rooming house



Goodman report:

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This is Exhibit "E" referred to in the affidavit
of Mark Goodman, affirmed before me on
June 10, 2021


A Commissioner for Taking Affidavits
In British Columbia

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550-900 HOWE STREET
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Goodman: UNDER CONTRACT

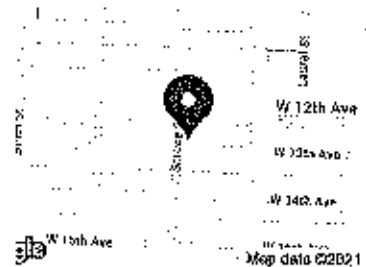
Spruce West

1089 West 13th Avenue, Vancouver

\$4,750,000



Location



1089 West 13th Avenue
Vancouver

Contact

Mark Goodman

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Goodman Commercial Inc.

560-2608 Granville St
Vancouver, BC V6H 3V3

Price	Property type	Units
\$4,750,000	Concrete mid-rise	6
Storeys	Net rentable area	Year built
6	5,738 SF	1977
Lot size	Zoning	Price per unit
99.93' x 62.51' (6,246 SF)	RM-3	\$791,667
Parking	Price per SF	
6 underground + surface	\$827	

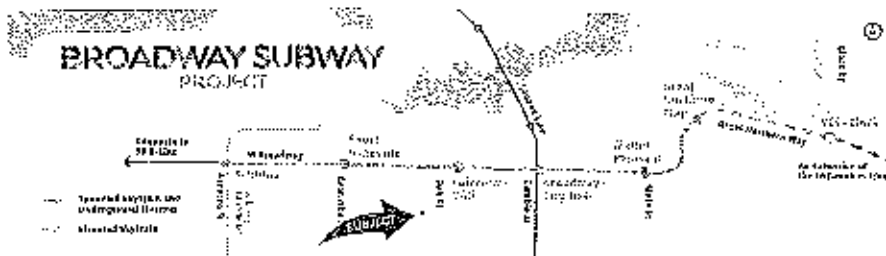
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Overview

Spruce West is a 6-unit, 6-storey concrete multi-family strata building located in Vancouver's popular Fairview neighborhood. Built in 1977 on a 6,250 SF corner lot, **the building comprises one large unit per floor (avg. 956 SF)** each with 1 full bathroom and 1 powder room. Other building features include balconies, storage (6 lockers), elevator services, 6 underground parking stalls and surface parking. The top floor unit also features a large patio roof top deck with panoramic views of the North Shore Mountains, False Creek and Vancouver's urban landscape.

This is a court-ordered strata wind-up sale. The 6 strata lots are owned by 5 separate owners (2 strata lots are owned by the same owner). Four strata lots are owner-occupied; 1 is rented out and 1 is vacant.

Spruce West is situated in the Broadway Corridor Plan Study Area, only 465 metres within the future Fairview-VGH SkyTrain Station. The City has undertaken a two-year planning program in order to devise a new Area Plan anticipated for Council's consideration in late 2020. The plan will focus on opportunities to integrate development around the Millennium Line Broadway Extension among other key goals.



Deferred Maintenance

In March 2018, the strata corporation obtained a building envelope condition assessment from a local engineering firm that determined building envelope repairs estimated to cost \$1,110,000 were required. A second opinion report was obtained by another local engineering firm in December 2018 that suggested the building envelope repairs could be done in 3 phases over a number of years at a total estimated cost of \$1,680,525. No building envelope repairs have been completed thus far. It is reported there are ongoing active water ingress issues.

In June 2019, the City of Vancouver issued a Work Order requiring structural improvements and fire stopping to the 2 stairways in the building—no work has been done to resolve this issue. With the City's knowledge, an engineering firm was retained to provide an opinion on the condition of the stairways. Based on the engineer's opinion that the stairways are an immediate life safety issue, steps are being taken to install shoring in the stairways to eliminate the life safety issue along with fire stopping work to be completed as well.

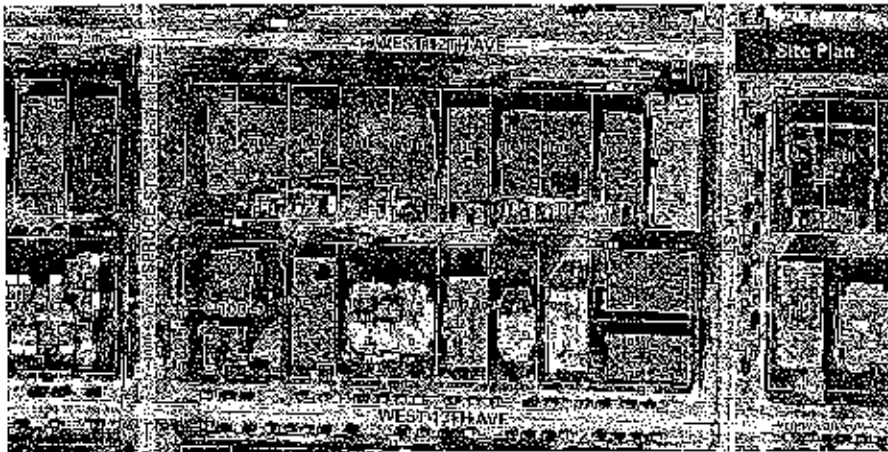
Value-Add Options

1. Perform a renovation as required and hold as a 6-unit mid-rise rental building;
2. Renovate the building and sell off the condo units individually;
3. Demolish the building and redevelop as a condo or rental project.

Location

Spruce West is located in Vancouver's Fairview neighbourhood, situated in a walker's paradise just 4 blocks west of Granville Street on the northeast corner of Spruce St and W 13th Ave. West Broadway and West 12th Avenue form the major east-west traffic arteries across the city (direct bus access to UBC), while Granville Street is the major nearby north-south traffic corridor which provide access to and from the downtown core and South Richmond (YVR).

Public transportation and shopping is available in the immediate area just steps away along Granville Street and West Broadway. South Granville's prime retail corridor is one of Vancouver's trendiest shopping destinations and offers tenants easy access to numerous amenities, art galleries, coffee shops, restaurants, banks and theatre, to name a few.



Legal Description

Strata Lots 1 – 6, District Lot 526, Strata Plan VR. 456, together with an interest in the common property in proportion to the unit entitlement of the strata lot as shown on Form 1.

Suite mix

	No. units	Average size
One bedroom + den	1	846 SF
Two bedroom	5	978 SF

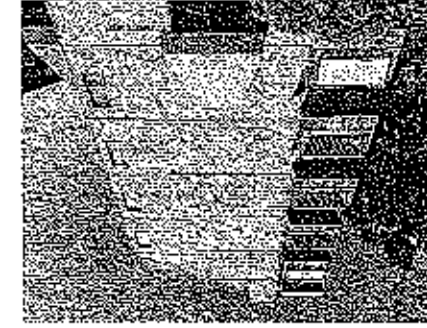
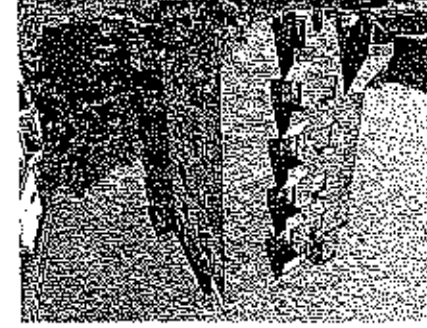
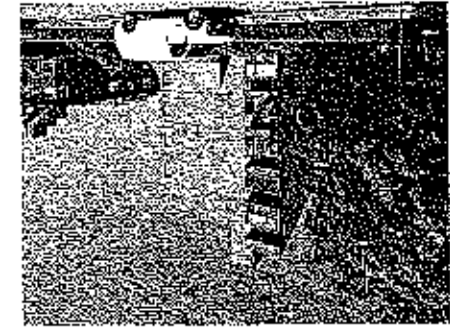
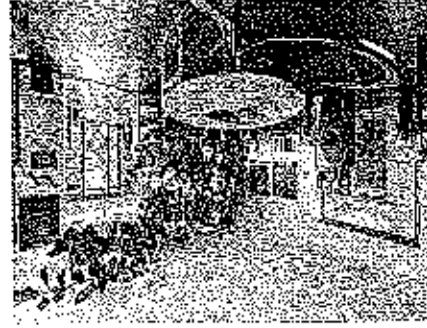
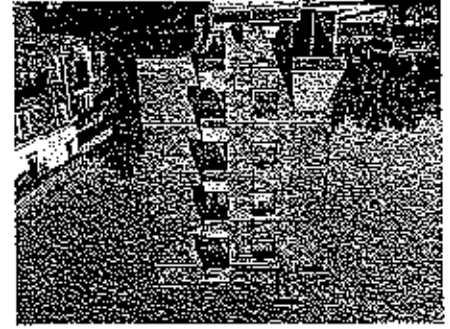
Financials

Financing	Treat as clear title.	
Assessment 2020	Land	\$3,285,000
	Building	\$956,000
	Total	\$4,241,000
Taxes 2020		\$12,408
Notes	Contact listing agent for more information.	

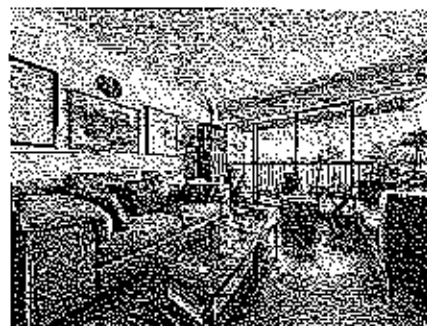
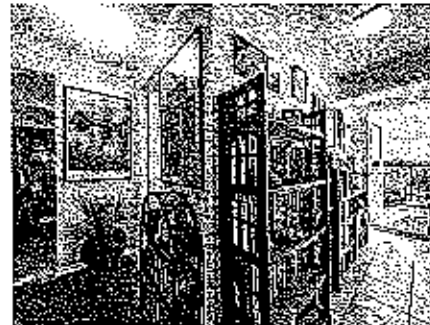
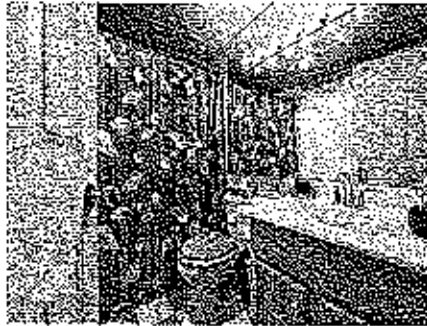
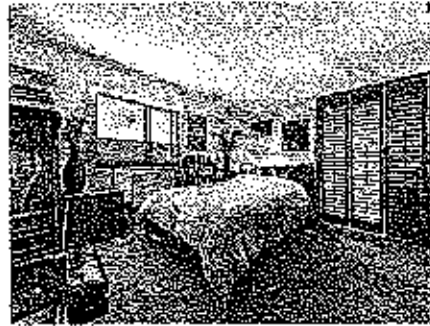
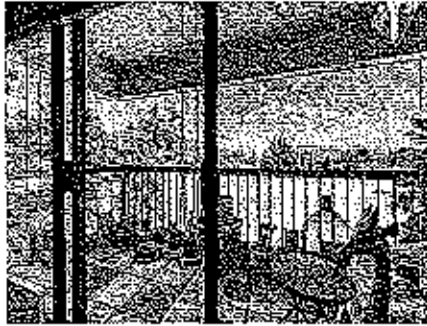
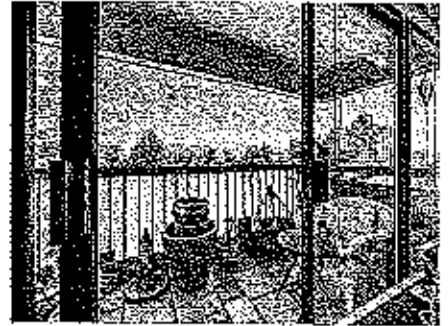
The information contained herein was obtained from sources which we deem reliable, and while thought to be correct, is not guaranteed by Goodman Commercial.

Gallery

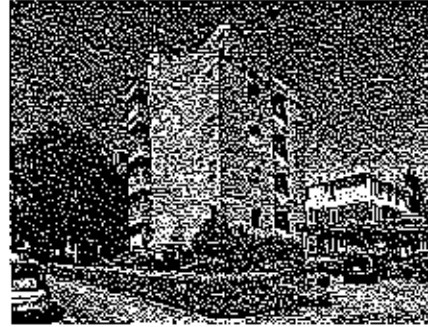
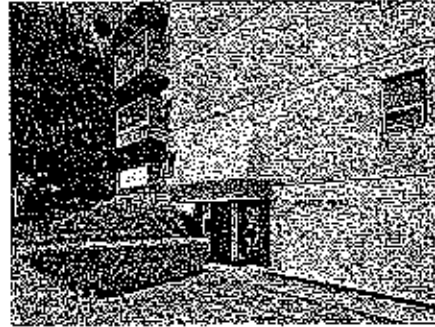
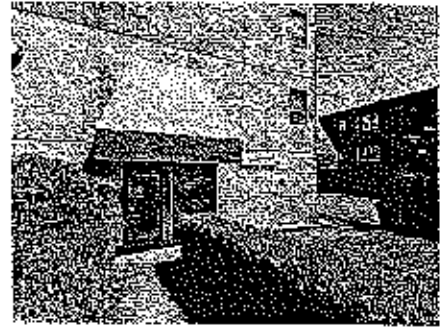
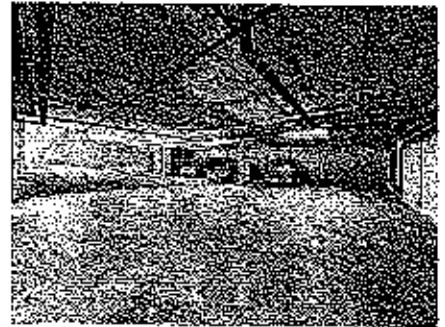
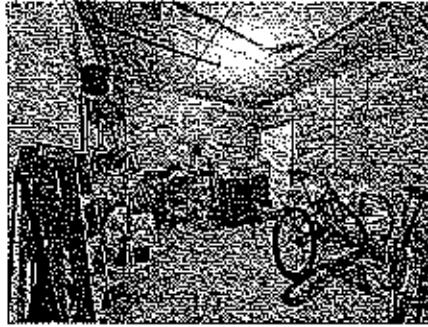
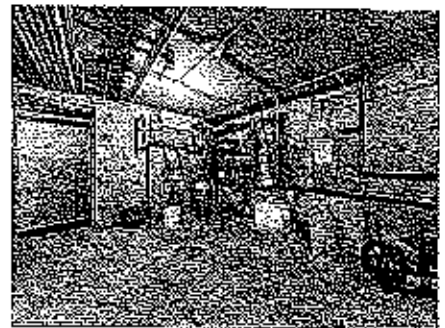
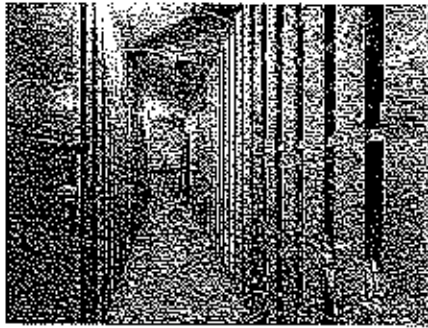
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Jul

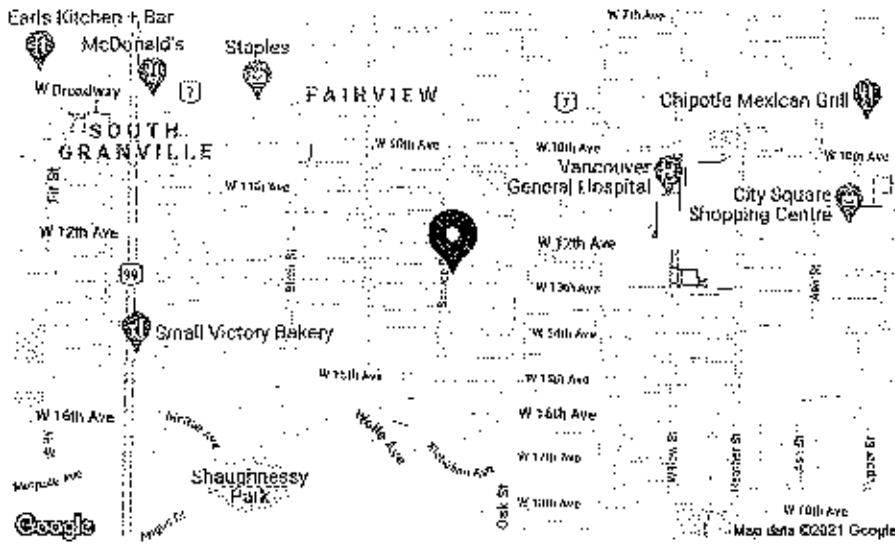


MB



MB

Map



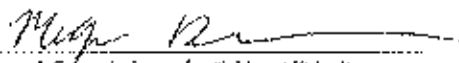
G: Goodman Commercial Inc.
560-2608 Granville St
Vancouver, BC V6H 3V3

Email info@goodmanreport.com
Office (604) 558 5511

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MB

This is Exhibit "F" referred to in the affidavit
of Mark Goodman, affirmed before me on
June 10, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567



Goodman:

goodmanreport.com

Goodman Commercial Inc. 604-708-6444 / 110 St. Vancouver BC
 Mack Goodman* (604) 714-6790
 Cynthia Jagger* (604) 912-9018
 * Former Real Estate Executives



MAYFLOWER PLACE
 Corner of West 4th Ave & Stephens St
 30+ suite mixed-use building in the heart of
 Kitsilano, C-2 zoned corner lot
 Call for price



NORTH PARK APARTMENTS
 1032 North Park Street, Vancouver
 11 suite 4 story apartment building.
 Built in 2016, 3.9% cap rate
 \$4,185,000



DEVELOPMENT SITE
 5055-5075 Keefer Street, Vancouver
 Prior to tender in place—65 single units
 potential, Morquey Village neighbourhood.
 Call for price



RIVERPORT FLATS
 14600 R/ 13068 Riverport Way, Richmond
 2 side-by-side water-front apartment
 buildings totaling 130 units
 \$66,295,000



MIXED-USE HIGH-RISE SITE
 10328-64 133A St & 13410-60 160A Ave, Surrey
 116-acre mixed-use investment-oriented high-
 rise development site in Surrey City Centre
 \$93,600,000



INVESTMENT PROPERTY
 1222 East 12th Avenue, Vancouver
 Completely rehabilitated down to the
 studs in Mount Pleasant neighbourhood.
 \$2,998,000



HAWTHORNE AT TIMBER COURT
 District of North Vancouver
 New purpose-built rental apartment
 building featuring 75 suites in Lynn Valley.
 Call for price



SPRUCE WEST
 1069 West 15th Avenue, Vancouver
 6-unit boutique apartment mid-rise
 One large suite per floor
 Listed \$4,766,000



645 EAST 44TH AVENUE
 Vancouver
 16 suites in Fraser / Main neighbourhood
 \$320,000 per unit
 Listed \$5,250,000



GEO-ANN APARTMENTS
 310 East 13th Avenue, Vancouver
 26 suites in Mount Pleasant
 Corner lot on one-way block east of Main
 Listed \$16,000,000

The information contained herein is based on information provided by the advertiser and is not intended to constitute an offer of real estate services. It is not intended to constitute an offer of real estate services. It is not intended to constitute an offer of real estate services.

<p>FOR SALE</p> <p>\$8,660,000.00</p> <p>3320 King George Blvd, Surrey Zoning: Commercial, Close to Hwy</p> <ul style="list-style-type: none"> Building with +/- 15,700 SQFT of ambient industrial space and +/- 7,076 SQFT of second floor, mezz space, +/- 4.9% cap rate stabilized. 	<p>FOR SALE</p> <p>Price: Contact Listing Agent</p> <p>821 Brunette Avenue, Coquitlam South Side</p> <ul style="list-style-type: none"> +/- 6,209 SQFT (allows up to 10,002 SQFT building) of industrial building with second floor mezzanine and ample yard space. 	<p>FOR SALE</p> <p>\$1,650,000.00</p> <p>769 Powell Street, Vancouver Cory Wright, David Hemmings</p> <ul style="list-style-type: none"> This two story building consists of space for warehouse, storage, and office with 2 bathrooms, +/- 2,575 SQFT lot size. 	<p>FOR SALE</p> <p>\$1,498,000.00</p> <p>2948 27th Street, Langley Christine Vlat</p> <ul style="list-style-type: none"> Free-standing building consist of 990 SQFT of second floor residential space and 1,836 SQFT of commercial space.
<p>UNDER CONTRACT</p> <p>\$2,298,000.00</p> <p>1280 Hornby Street, Vancouver Mallan Armour</p> <ul style="list-style-type: none"> MAJOR PRICE REDUCTION. +/- 1,321 SQFT mixed unit with over \$600,000 in improvements. Zoned DD. 	<p>SOLD</p> <p>\$7,595,000.00</p> <p>201-6213 McKay Avenue, Burnaby Meg Cooney</p> <ul style="list-style-type: none"> In the Alliance's sold-out Gold House development this unit is +/- 1,675 SQFT office space with floor-to-ceiling windows. 	<p>SOLD</p> <p>\$3,350,000.00</p> <p>33140 Mill Lake Road, Abbotsford Cory Wright, Chris van Vleet</p> <ul style="list-style-type: none"> Rare opportunity to acquire free standing office building with 7 suites and 25 underground parking stalls. 	<p>SOLD</p> <p>\$2,950,000.00</p> <p>2914 Gravelley Street, Vancouver Meg Cooney</p> <ul style="list-style-type: none"> This free-standing two story building consist of +/- 4,438 SQFT. Improved as a martial arts studio, ideal for fitness related occupancy.

Listed. Marketed. Sold.
 williamwright.ca

WILLIAM | WRIGHT
 Commercial Real Estate Services

Vancouver Office
 #430-605 Robson Street
 604.428.5255

Langley Office
 #210-8029 199th Street
 604.646.5555

New Westminster Office
 #350-522 7th Street
 604.546.0636

Victoria Office
 #403-535 Yates Street
 250.590.5797

Property Management Office
 #200-808 W Hastings Street
 604.330.8295

MB

Goodman:

goodmanreport.com

Goodman Commercial Inc. Mark Goodman* (604) 714 4790
580-2608 Granville St, Vancouver BC Cynthia Jagger* (604) 912 9018
* Federal Real Estate Corporation



DAVID APARTMENTS

2012 Cornwall Avenue, Vancouver
20-suite apartment building—4 beds to Kits
Beach, 11,800 SF corner lot
Call for price



MAYFLOWER PLACE

Corner of West 4th Ave & Stephens St
38-suite mixed-use building in the heart of
Kitsilano, C-2 zoned corner lot.
Call for price



DEVELOPMENT SITE

5058-5078 Earles Street, Vancouver
15-to-16 story in place—65 strata units
proposed. Northside Village neighbourhood.
\$16,880,000



MIXED-USE HIGH-RISE SITE

10356-64 133A St & 12300-50 102A Ave, Surrey
L15-pc mixed-use transit-oriented high-rise
development site in Surrey's City Centre.
\$33,800,000



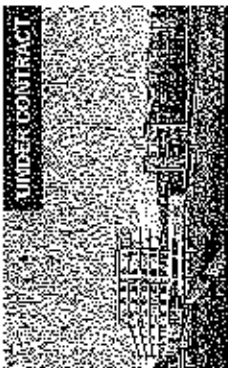
NORTH PARK APARTMENTS

1032 North Park Street, Victoria
11-suite 4-storey apartment building.
Built in 2016, 3.8% cap rate.
\$4,185,000



CASA JUBILEE

1555 Jubilee Avenue, Victoria
21-suite well-maintained apartment building.
1.5 blocks from the Royal Jubilee Hospital.
\$6,275,000



RIVERPORT FLATS

14000 & 14068 Riverport Way, Richmond
2 side-by-side waterfront apartment
buildings totaling 135 units.
\$50,295,000



SIX-STORY RENTAL SITE

Corner of Main & Esst 33rd, Vancouver
18,487 SF multi-family development site.
Plans submitted—82 units proposed.
Call for price



SPRUCE WEST

1089 West 13th Avenue, Vancouver
6-unit concrete apartment mid-rise.
One large suite per floor.
Listed \$4,750,000



646 EAST 44TH AVENUE

Vancouver
15 suites in Fraser / Main neighbourhood.
\$328,000 per unit.
Listed \$5,250,000

This communication is not intended to constitute an offer of securities. The information contained herein has been obtained from sources deemed reliable. While we have no reason to doubt its accuracy, we do not guarantee its accuracy and we do not accept any responsibility for its accuracy. It is your responsibility to confirm its accuracy with the relevant issuer.

MB

Goodman:

goodmanreport.com

Goodman Commercial Inc. Mark Goodman* (604) 714 4790
360-2698 Granville St, Vancouver BC Cynthia Jagger* (604) 912 9018
* Personal Real Estate Corporation



THE EDGEWATER

1065 Pacific Street, Vancouver
West End development opportunity
improved with a 30-suite rental building.
\$19,950,000



HIGH-DENSITY M2-ZONED SITE

1357 & 1435 Powell Street, Vancouver
1.8 acres in East Vancouver's port industrial
area, up to E.O.F.S.R. Stable cash flow.
\$35,000,000 (reduced \$3M)



DAVID APARTMENTS

2012 Cornwall Avenue, Vancouver
20-suite apartment building - steps to Kits
Beach, 11,800 SF corner lot.
\$10,800,000 (reduced \$1M)



NORTH PARK APARTMENTS

1032 North Park Street, Victoria
11-suite 4-storey apartment building.
Built in 2015 - 4.1% cap rate.
\$3,990,000 (reduced \$185k)



MAYFLOWER PLACE

Corner of West 4th Ave & Stephens St
38-suite mixed-use building in the heart of
Kitsilano, C-2 zoned corner lot.
Call for price



SPRUCE WEST

1088 West 13th Avenue, Vancouver
8-unit concrete apartment mid-rise.
One large suite per floor.
\$4,750,000



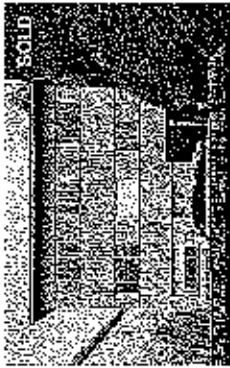
CASA JUBILEE

1555 Jubilee Avenue, Victoria
21-suite well-maintained apartment building.
1.5 blocks from the Royal Jubilee Hospital.
\$6,275,000



RIVERPORT FLATS

14000 & 14098 Riverport Way, Richmond
2 side-by-side waterfront apartment
buildings totaling 135 units.
\$50,235,000



CHELSEA VISTA

2072 West 3rd Avenue, Vancouver
10 suites in the heart of Kitsilano.
City, water and mountain views.
Listed \$4,500,000



CONNIE LYNN APARTMENTS

1985 West 8th Avenue, Vancouver
8 suites in Kits. One block from future
Arbusus Skytrain Station.
Listed \$4,200,000

This company is not licensed to issue or induce a contract of an estate, realty, or other financial product. The information contained here is for informational purposes only. It is not intended to constitute an offer or solicitation of any financial product. The information is not intended to be used as a basis for any investment decision. The information is not intended to be used as a basis for any investment decision.

MB

Goodman:

goodmanreport.com

Goodman Commercial Inc. Mark Goodman * (604) 714 4780
550-2648 Granville St, Vancouver BC Cynthia Jagger * (604) 912 9015
* Personal Real Estate Corporation



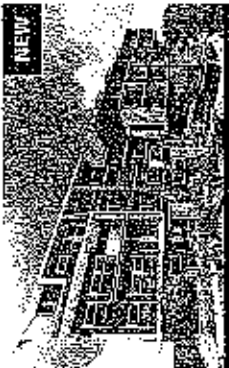
MAYFLOWER PLACE

Corner of West 4th Ave & Stephens St
32-suite mixed-use building in the heart of
Kitsilano. C-2 zoned corner lot
Call for price



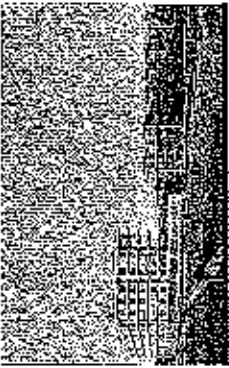
NORTH PARK APARTMENTS

1032 North Park Street, Victoria
11-suite 4-storey apartment building.
Built in 2016. 3.8% cap rate.
\$4,185,000



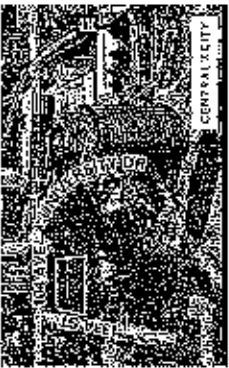
DEVELOPMENT SITE

5056-6074 Earles Street, Vancouver
Preliminary letter in place - 85 strata units
proposed. Northside village neighbourhood.
Call for price



RIVERPORT FLATS

14000 & 14088 Riverport Way, Richmond
2 side-by-side waterfront apartment
buildings totaling 135 units
\$50,295,000



MIXED-USE HIGH-RISE SITE

1035-64 139A St & 13390-80 102A Ave, Surrey
1.9-acre mixed-use transit-oriented high-
rise development site in Surrey's City Centre
\$33,800,000



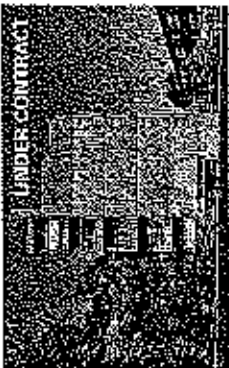
INVESTMENT PROPERTY

1222 East 12th Avenue, Vancouver
Completely renovated "down to the
studs" Mount Pleasant neighbourhood.
\$2,999,000



HAWTHORNE AT TIMBER COURT

District of North Vancouver
New purpose-built rental apartment
building featuring 75 suites in Lynn Valley.
Call for price



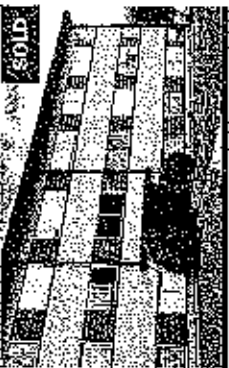
SPRUCE WEST

1069 West 13th Avenue, Vancouver
8-unit concrete apartment mid-rise
One large suite per floor
Listed \$4,750,000



646 EAST 44TH AVENUE

Vancouver
16 suites in Fraser / Main neighbourhood
\$528,000 per unit
Listed \$5,250,000



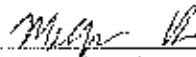
GEO-ANN APARTMENTS

310 East 13th Avenue, Vancouver
26 suites in Mount Pleasant
Corner lot: only one block east of Main
Listed \$10,800,000

This communication is not intended to create a public record of the building listing information. The information contained herein has been obtained from sources deemed reliable. While we have no reason to doubt its accuracy, we do not guarantee its accuracy and completeness. Incorporated.

MB

This is Exhibit "G" referred to in the affidavit
of Mark Goodman, affirmed before me on
June 10, 2021



A Commissioner for Taking Affidavits
In British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

MJB

Goodman:

goodmanreport.com

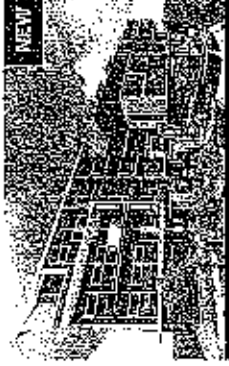
Goodman Commercial Inc. Mark Goodman* 1804; 714 4780
 580-2808 Granville St, Vancouver BC Cynthia Jagger* (604) 912 9018
 * Personal Real Estate Corporation



MAYFLOWER PLACE
 Corner of West 4th Ave & Stephens St
 36-suite mixed-use building in the heart of
 Kitsilano, C-2 zoned corner lot.
 Call for price



NORTH PARK APARTMENTS
 1032 North Park Street, Victoria
 11-suite 4-storey apartment building.
 Built in 2016. 3.0% cap rate.
 \$4,185,000



DEVELOPMENT SITE
 5056-5076 Earles Street, Vancouver
 Priced better in place—65 strata units
 proposed. Norquay Village neighbourhood.
 Call for price



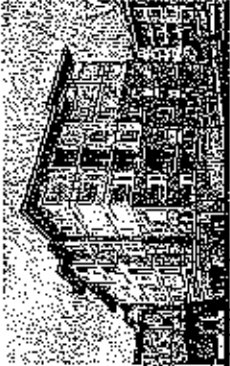
RIVERPORT FLATS
 14000 & 14088 Riverport Way, Richmond
 2 side-by-side waterfront apartment
 buildings totaling 195 units
 \$50,295,000



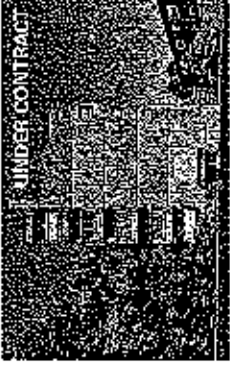
MIXED-USE HIGH-RISE SITE
 10335-84 133A St. & 13380-90 103A Ave, Surrey
 1.1B-ecm mixed-use transit-oriented high-
 rise development site in Surrey's City Centre
 \$32,800,000



INVESTMENT PROPERTY
 1222 East 12th Avenue, Vancouver
 Completely renovated "down to the
 studs" Mount Pleasant neighbourhood.
 \$2,999,000



HAWTHORNE AT TIMBER COURT
 District of North Vancouver
 New purpose-built rental apartment
 building featuring 75 suites in Lynn Valley.
 Call for price



SPRUCE WEST
 1089 West 13th Avenue, Vancouver
 6-unit concrete apartment mid-rise
 One large suite per floor
 Listed \$4,750,000



648 EAST 44TH AVENUE
 Vancouver
 16 suites in Fraser / Main neighbourhood
 \$329,000 per unit
 Listed \$5,250,000



GEO-ANN APARTMENTS
 310 East 13th Avenue, Vancouver
 26 suites in Mount Pleasant
 Corner lot only one block east of Main
 Listed \$10,800,000

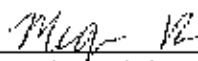
The information is not intended to constitute an offer of securities. The information contained herein has been obtained from sources deemed reliable. While we have no reason to doubt its accuracy, we do not guarantee its accuracy and completeness. Information is not intended to constitute an offer of securities.

MB

This is Exhibit "H" referred to in the affidavit of

Mark Goodman, affirmed before me on

June 1st, 2021



A Commissioner for Taking Affidavits
In British Columbia

Megan J. Buchanan
Lawyer
560-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3587



[click here to view email in browser](#)

Goodman:

Property update
August 2020

Hi <<First Name>>,

So far, the beginning of the third quarter of 2020 has proven to be a very busy time for us here at Goodman Commercial. We are active in both apartment building and development site listings and sales.

Below is a current summary of our new launches, price reductions, accepted offers and recent sales. Additionally, please note our Surrey City Centre high-rise development site is now priced at \$33,800,000 and further listings will be coming shortly.

As always, please don't hesitate to contact us if you wish to discuss your property or the market in general — we are here to assist.

Featured Listings [View all](#)



Under Contract

Spruce West

1089 West 13th Avenue, Vancouver

6-unit concrete apartment mid-rise

One large suite per floor

\$4,750,000



New Listing

Mixed-use high-rise site

133A St. & 103A Ave, Surrey

1.16-acre high-density development site

Surrey City Centre

Now asking \$33,800,000



Sold

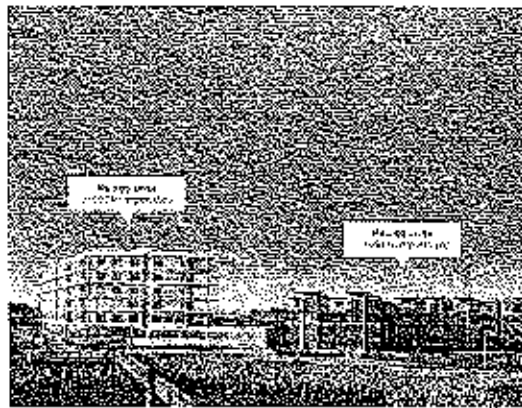
Geo-Ann Apartments

310 East 13th Avenue, Vancouver

26-suite apartment building

Corner lot in Mount Pleasant

\$10,800,000



New Listing

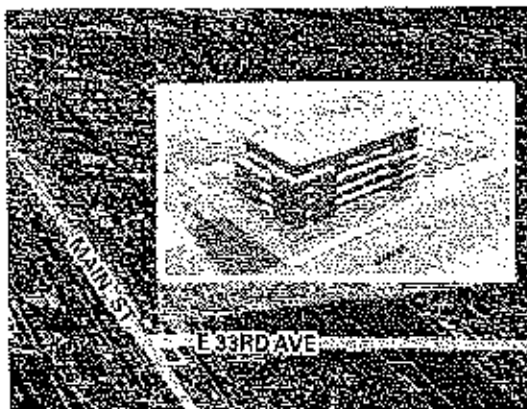
Riverport Flats

14000 & 14088 Riverport Way, Richmond

2 side-by-side waterfront apartment buildings

135 units

\$50,295,000



Under Contract

Six-storey rental site

Corner of Main & East 33rd, Vancouver

18,487 SF multi-family development site

Plans submitted — 69 units proposed

Call for price



New Listing

646 East 44th Avenue

Vancouver

16-suite apartment building

Fraser / Main neighbourhood

\$5,250,000



For Sale

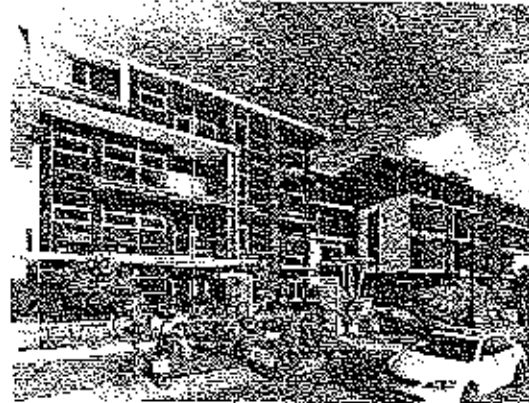
Casa Jubilee

1555 Jubilee Avenue, Victoria

21-suite apartment building

1.5 blocks from the Royal Jubilee Hospital

\$6,275,000



New Listing

Development site

5056-5076 Earles St, Vancouver

Prior-to letter in place – 65 strata units proposed

Norquay Village neighbourhood

Call for price



For Sale

Side-by-side buildings

4651 & 4663 Hastings Street, Burnaby

Mixed-use buildings

Can be purchased together or separately



Reduced

Grove Mobile Home Park

32380 Lougheed Highway, Mission

Mobile home park with development potential

2.83-acre site along Lougheed Highway

MB

Office 604 558 5511

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Goodman:

Featured Listing
July 2020

New Listing

SPRUCE WEST

1089 WEST 13TH AVE, VANCOUVER

6-unit concrete apartment mid-rise

Court-ordered sale

\$4,750,000



Spruce West is a 6-unit, 6-storey concrete multi-family strata building located in Vancouver's popular Fairview neighborhood. Built in 1977 on a 6,250 SF corner lot, the building features one large unit per floor (avg. 956 SF), balconies, storage (6 lockers), elevator services, 6 underground parking stalls and surface parking. The top floor unit also features a large patio roof top deck with panoramic views of the North Shore Mountains, False Creek and Vancouver's urban landscape.

MR

program in order to devise a new Area Plan anticipated for Council's consideration in late 2020. The plan will focus on opportunities to integrate development around the Millennium Line Broadway Extension among other key goals.

[View More](#)

Contact

Mark Goodman*

mark@goodmanreport.com
604 714 4790


Cynthia Jagger*


cynthia@goodmanreport.com
604 912 9018


Goodman Commercial Inc.

560-2608 Granville Street
Vancouver, BC V6H 3V3
Office 604 558 5511
**Personal Real Estate Corporation*

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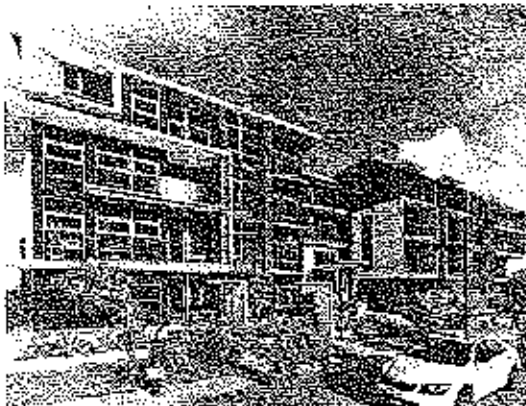
Property update
April 2021

Hi <<First Name>>,

Below is a current summary of our listings and accepted offers across Metro Vancouver.

As always, please don't hesitate to contact us if you wish to discuss your property or the market in general — we are here to assist.

Featured Listings [View all](#)



For sale

Development site

5056–5076 Earles St, Vancouver

Prior-to letter in place—65 strata units proposed

Norquay Village neighbourhood

\$15,980,000

\$278/SF buildable



For sale

Mixed-use rental building

7312 Magnolia Terrace, Burnaby

15 units: 14 residential + 1 CRU

700 metres to Edmonds Skytrain station

\$7,200,000

2.8% cap rate



For sale

Centennial House

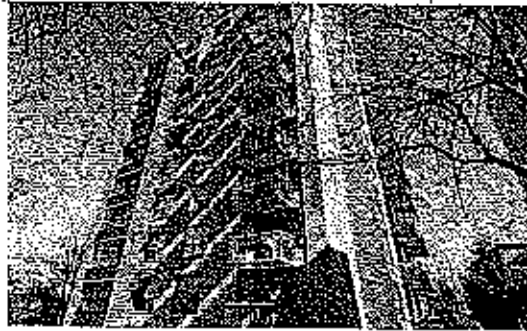
725 West 70th Avenue, Vancouver

12-storey concrete rental tower

94 suites featuring river and city views

\$39,800,000

Significant Infill development potential



Under contract

Tamarac Apartments

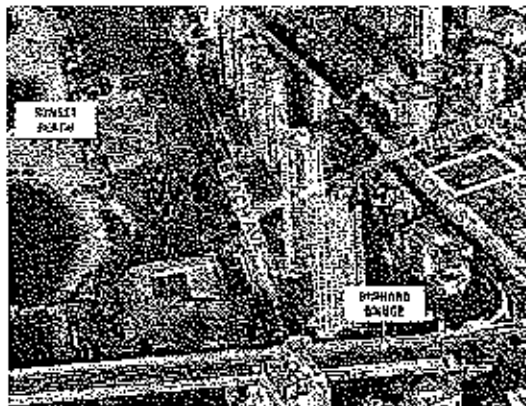
1160 Broughton Street, Vancouver

75-suite 10-storey concrete rental tower

Well maintained – \$440k per unit

\$33,000,000

Corner lot – steps to Davie Village



For sale

The Edgewater

1065 Pacific Street, Vancouver

Development opportunity with holding income

Improved with a 30-suite rental building

\$19,950,000

West End—steps to Sunset Beach



For sale

North Park Apartments

1032 North Park Street, Victoria

11-suite apartment building

Built in 2016 – 4.4% cap rate

\$3,800,000

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Under contract

Townhouse-style rental

2200 West 7th Avenue, Vancouver

Kitsilano rental building

Corner of West 7th Ave and Yew St

\$2,700,000

3.3% cap rate



For sale

High-density M2-zoned site

1357 & 1435 Powell Street, Vancouver

Industrial property

Up to 5.0 FSR (356,805 SF buildable)

\$28,750,000

1.6 acres in East Van's port industrial area



For sale

Grove Mobile Home Park

32380 Lougheed Highway, Mission

Mobile home park with development potential

2.83-acre site along Lougheed Highway

\$4,899,000



For sale

Georgian House

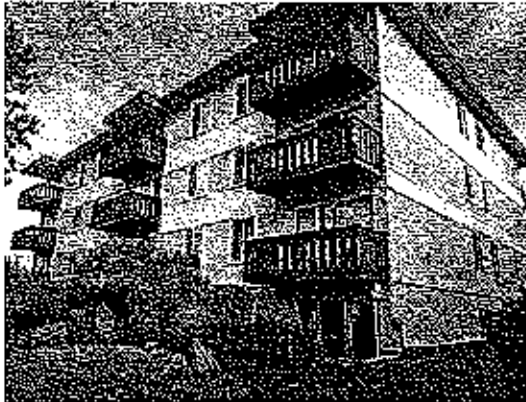
5450 Vine Street, Vancouver

12-storey concrete rental tower

69 suites in the heart of Kerrisdale

\$46,000,000

MB



Under contract

Casa Jubilee

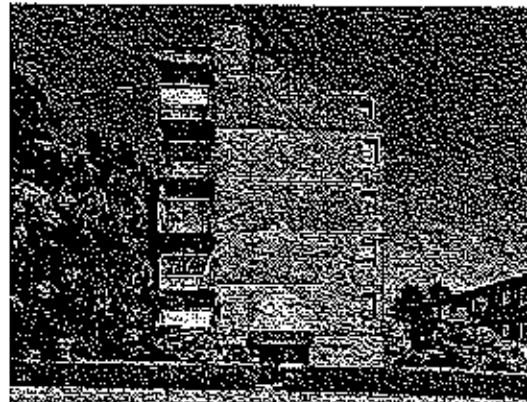
1555 Jubilee Avenue, Victoria

Apartment Building

21 units

\$6,275,000

1.5 blocks from the Royal Jubilee Hospital



Under contract

Spruce West

1088 West 13th Avenue, Vancouver

6-unit concrete apartment mid-rise

One large suite per floor

\$4,750,000

Central Fairview location

[View all Listings](#)

Contact


Mark Goodman
Personal Real Estate Corporation
mark@goodmanreport.com
(604) 714 4790

Cynthia Jagger
Personal Real Estate Corporation
cynthia@goodmanreport.com
(604) 912 9018

Goodman Commercial Inc.
560-2608 Granville St

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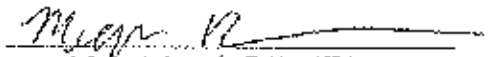
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June 10, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

MB

Goodman:

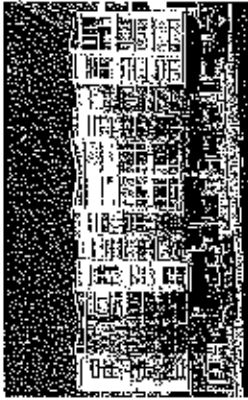
Featured Listings
September 2020



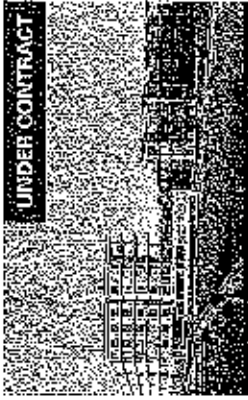
DAVID APARTMENTS
2012 Cornwall Ave, Vancouver
20 suites – steps to Kits Beach
Call for price



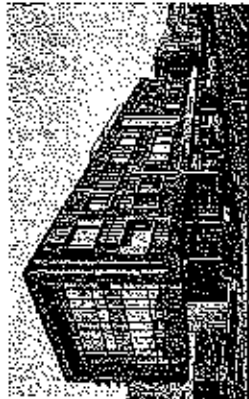
16-SUITE APARTMENT BUILDING
646 East 44th Ave, Vancouver
Main / Fraser neighbourhood
Asking \$5,250,000



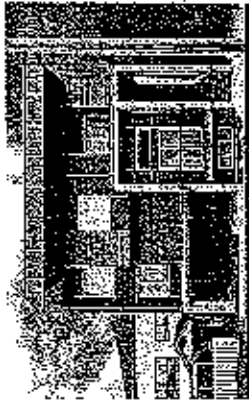
MAYFLOWER PLACE
W 4th Ave & Stephens St, Vancouver
38-suite mixed-use building in Kits
Asking \$27,000,000



RIVERPORT FLATS
14000 & 14088 Riverport Way, Richmond
135 units. Side-by-side waterfront buildings
Asking \$50,295,000



OFFICE BUILDING
376 Harbour Road, Victoria
Built in 2019 – 4.8% cap rate
Asking \$8,800,000



NORTH PARK APARTMENTS
1032 North Park St, Victoria
11-suite apartment building
Asking \$4,185,000



SPRUCE WEST
1089 West 13th Ave, Vancouver
6-unit concrete apartment mid-rise
Asking \$4,750,000



GEO-ANN APARTMENTS
310 East 13th Ave, Vancouver
26 suites in Mount Pleasant
Asking \$10,800,000

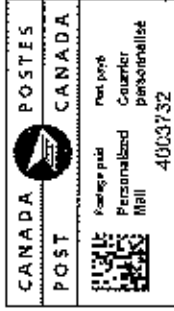
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THINKING OF SELLING? WORK WITH THE BEST IN CLASS!

Goodman Commercial is Metro Vancouver's powerhouse firm specializing in rental apartment buildings and development sites. Please don't hesitate to reach out to discuss the sale of your property.

80



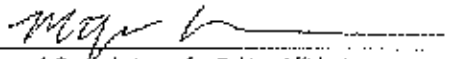
Goodman:
Goodman Commercial Inc.
560-2608 Granville Street
Vancouver, BC V6H 3V3

Cynthia Jagger
Personal Real Estate Corporation
cynthia@goodmanreport.com
Direct 604 912 9018

Mark Goodman
Personal Real Estate Corporation
mark@goodmanreport.com
Direct 604 714 4790

BC

This is Exhibit "J" referred to in the affidavit
of Mark Goodman, affirmed before me on
June 10, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
560-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 686-3567

MB

The Goodman Report

The Goodman Report (@goodmanreport) · Jun 28, 2020

For sale: Concrete mid-rise in South Granville - estimated \$4.75M. [View on Zillow](#)

The Goodman Report (@goodmanreport) · Jun 27, 2020

For sale: Concrete mid-rise in South Granville. Asking \$4,750,000. [View on Zillow](#)

Spruce West - 1069 West 13th Ave, Vancouver - C...

For sale: South - 6-story concrete multi-family

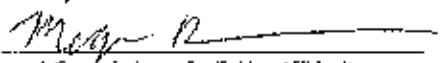
estate building located in Vancouver's popular

[goodmanreport.com](#)

MB

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Mark Goodman, affirmed before me on

June 10, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

MB

Post Details

G: Goodman Report

July 27, 2020

For sale: Concrete Rise in South Granville. Asking \$4,750,000.

Spruce West is a 6-unit, 6-story concrete multi-family estate building located in Vancouver's popular Fairview neighborhood. Built in 1977 on a 6,250 SF corner lot, the building comprises one large unit per floor (avg. 956 SF) each with 1 full bathroom and 1 powder room. Other building features include balconies, storage (3 lockers), elevator services, 6 underground parking stalls and surface parking. The top floor unit also features a large patio roof top deck with panoramic views of the North Shore Mountains, False Creek and Vancouver's urban landscape.

View details: <https://goodmanreport.com/property-west-1169-west-13th-etc>



GOODMAN REPORT/CCA

Spruce West - 1069 West 13th Ave, Vancouver - Learn More
Goodman Commercial Inc.

13,169

People Reached

2,805

Engagements

Boost Unavailable

Performance for Your Post

13,169 People Reached

148 Reactions, Comments & Shares

22 Likes On Post 4 Comments

5 Retweets On Post 0 Shares

2 Views On Post 0 Shares

2 Mentions On Post 0 Shares

109 Comments On Post 54 Shares

8 Retweets On Post 1 Comment

2,657 Photos

0 Mentions On Post 1,144 Retweets 1,613 Comments

NEGATIVE FEEDBACK


1 Like Post 0 Hate Reactions

0 Reaction Stickers 0 Unlikes

Report Status may be delayed due to processing of posts

MB

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June 10, 2021



A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

MB



Search



Mark Goodman
Commercial real estate
broker & publisher of the
Goodman Report

Employer

27,790



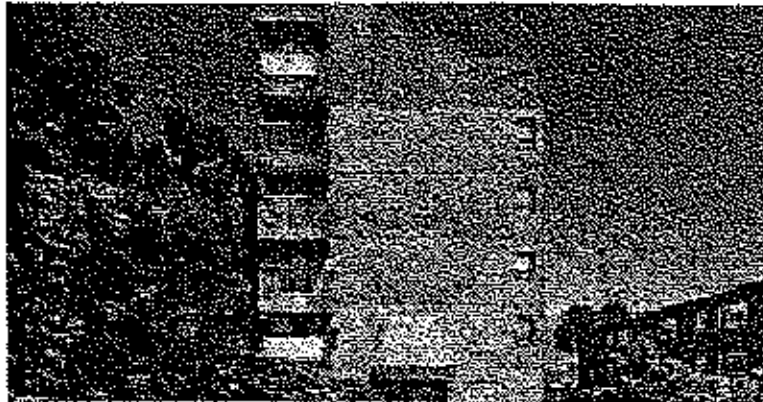
Mark Goodman

Commercial real estate broker & publisher of the Goodman Report

27,790

For sale: Concrete mid-rise in South Granville, Asking \$4,750,000.

Spruce West is a 4-unit, 6-story concrete multi-family strata building! [See more](#)



For sale: Concrete mid-rise in South Granville

Mark Goodman and Jennifer K. Goodman

Spruce West - 1068 West 13th Ave, Vancouver, BC V6H 1T5. 4 units, 6 stories, concrete, 100% occupied. Call for more info.



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278 views of your profile

Add a comment



Mark Goodman

Commercial real estate broker & publisher of the Goodman Report

27,790

For sale: Concrete mid-rise in South Granville, Asking \$4,750,000.

Spruce West is a 4-unit, 6-story concrete multi-family strata building! [See more](#)



Spruce West - 1068 West 13th Ave, Vancouver

Mark Goodman and Jennifer K. Goodman

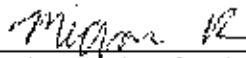


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This is Exhibit "M" referred to in the affidavit of Mark Goodman, affirmed before me on June 10, 2021



A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567



From: [Mark Goodman](#)
To: [Megan Buchanan](#)
Subject: Fwd: 1089 W 13th - accepted LOI
Date: Wednesday, May 12, 2021 1:37:48 PM
Attachments: [ACCEPTED LOI 1089 W 13th - Open Form.pdf](#)

CAUTION: This email originated from outside of the organization. Do not click on links or open attachments unless you recognize the sender and know the content is safe.

Mark Goodman
 Principal
 Personal Real Estate Corporation
Direct: 604 714 4790
goodmanreport.com

Goodman Commercial Inc.
 560-2608 Granville Street
 Vancouver V6H 3V3
 Office: 604 558 5511

----- Forwarded message -----

From: **Mark Goodman** <mark@goodmanreport.com>
Date: Fri, Aug 7, 2020 at 10:19 AM
Subject: 1089 W 13th - accepted LOI
To: Norm Shearing <nshearing@openformproperties.ca>
Cc: Cynthia Jagger <cynthia@goodmanreport.com>

Hi Norm,

Attached for your files is the accepted LOI -- congratulations.

Here are next steps:

1. Please confirm with a copy of the \$75,000 deposit cheque delivered to your lawyer in trust by **Tuesday, August 11th** (2 business days after acceptance).
2. Mark your calendar – Vendor's subject removal is 30 days from now – **September 6th** (once this happens, we will have 14 days to finalize a PSA)

MD

3. Let me know when you'd like to look at one or two suites, and I will endeavour to arrange this.

Regards,

Mark Goodman
Principal
Personal Real Estate Corporation
Direct: 604 714 4790
goodmanreport.com

Goodman Commercial Inc.
560-2608 Granville Street
Vancouver V6H 3V3
Office: 604 558 5511

MMB



August 5, 2020

To: The Owners, Strata Plan VR456 (the "Strata Corporation") c/o Goodman Commercial Inc. ("Goodman") #560-2608 Granville Street, Vancouver, BC, V6H 3V3

Attention: Mark Goodman Personal Real Estate Corporation and Cynthia Jagger Personal Real Estate Corporation

RE: 1089 West 13th Avenue, Vancouver, B.C., (the "Property")

The following sets out the basic terms upon which we, OpenForm Properties Ltd (the "Purchaser") would be prepared to purchase the Property. The terms are not comprehensive and we expect that additional terms will be incorporated into a formal agreement (the "Agreement") to be negotiated. In making this offer, we acknowledge your information to us that:

- The Strata Corporation is a strata corporation established under the *Strata Property Act* (the "SPA"), represented by its administrator (the "Administrator"), Garth Cambrey, pursuant to an order of the B.C. Supreme Court, dated April 17, 2020 (collectively the "Administrator Order") in the matter of *MacLennan and others, v. The Owners, Strata Plan VR456*, BCSC New Westminster Registry No. S222743, who may contractually bind the Strata Corporation in accordance with authority granted to the Administrator pursuant to the Administrator Order. More specifically, pursuant to the Administrator Order, the Administrator has the power to cause the Strata Corporation to execute this LOI, and negotiate and enter into the Agreement with the Purchaser, provided that certain decisions of the Administrator are conditional upon obtaining the approvals required under the SPA.
- The Administrator Order authorizes the Administrator to proceed with the proposed transaction is by way of the process described in Part 16, Division 2 of the SPA, being a "Voluntary Winding Up With Liquidator". Alternatively, the Administrator may apply to the BC Supreme Court to amend the Administrator Order to allow the Administrator to proceed under Part 16, Division 3 of the SPA, being an "Involuntary Winding Up With Liquidator" (either being, the "Winding Up Process").
- The Winding Up Process will not be formally commenced unless either of the following occurs:
 1. the Winding Up Resolutions (as defined in paragraph ⁶ ~~X~~(c)(1)A of this LOI) are approved at a special general meeting of the Strata Corporation; or

[MS] [JC]

MJB



- 2. the Winding Up Resolutions are not approved, but the Administrator elects to make, and succeeds with, an application to BC Supreme Court to seek a Court Order pursuant to Section 284 of the SPA to complete an Involuntary Winding Up With Liquidator.

The basic terms proposed for the Agreement are as follows:

- 1. Purchaser: OpenForm Properties
- 2. Vendor: The Owners, Strata Plan VR456 (collectively the "Vendor" or the "Strata Corporation")
- 3. Property: The entire development as "Spruce West" comprising 6 residential units and common property, located in a single building, as currently further described as:

Strata Lots 1 - 6
VR456, District Lot S26, New Westminster Land District, PID 004-046-471, 004-046-480, 004-046-498, 004-046-501, 004-046-510, 004-046-528

together with an interest in the common property in proportion to the unit entitlement of the strata lots as shown on Form 1

free and clear of all liens, charges and encumbrances at Closing, except those non-financial charges and recorded on titles to the Property as at the date hereof and tenancies of any strata lots that have not terminated as of Closing.

- 4. Purchase Price: \$4,350,000
- 5. Deposits: Subject to paragraph 10 of this Letter of Intent:
Within 2 business days of
(a) ~~Upon~~ mutual execution of this letter, the Purchaser will deposit with the Purchaser's lawyer (being Terra Law in trust, the amount of \$75,000 (the "Deposit") which will be invested in an interest bearing trust account with any interest accruing to the Purchaser and will be fully refundable to the Purchaser if the Agreement is not entered into by the parties within the time provided herein;

[je][ns]

MB



- (ii) The Purchaser conducting, and being satisfied in its sole discretion with, a review of the physical condition of the existing structures on the Property.
- (c) Vendor's Second Condition: The obligations of the Purchaser and the Vendor to complete the purchase and sale of the Property will be subject to satisfaction of the following condition(s) (collectively, the "**Vendor's Second Condition**") within **TWO HUNDRED TEN (210)** days after the Purchaser having given the Administrator notice in writing of the waiver or satisfaction of the First Purchaser's Condition:

Either:

- (i) the Strata Corporation:
 - A. passing the resolutions required pursuant to the Winding Up Process, including to:
 - (1) appoint the Liquidator;
 - (2) approve the winding up of the Strata Corporation;
 - (3) approve the sale of the Property on the terms set out in the Agreement; and
 - (4) if required, approve use of funds from the contingency reserve fund and/or impose a special levy to pay costs of the Winding Up Process,

(collectively, the "**Winding Up Resolutions**"); and
 - B. obtaining from the BC Supreme Court an order pursuant to section 278.1(4) of the SPA to confirm the winding up of the Strata Corporation (collectively, the "**Winding Up Confirmation Order**");

OR

- (ii) in the event that the Strata Corporation fails to pass the Winding Up Resolutions and the Administrator notifies the Purchaser in writing (the "**Division 3 Notice**") within **THIRTY (30)** days of the date of the meeting at which the voting on such resolutions took place that the

MB



Administrator intends to seek from the BC Supreme Court an order for the winding up of the Strata Corporation and the appointment of the Liquidator pursuant to section 284 of the Act (collectively the "Division 3 Orders"), the Administrator obtaining the Division 3 Orders.

The Administrator may, by written notice, extend the date for satisfaction of the Vendor's Second Condition from time to time, provided that the Vendor's Second Condition may not be extended by more than **ONE HUNDRED EIGHTY (180) days** after the original date for satisfaction of the Vendor's Second Condition.

(d) Vendor's Third and Fourth Conditions: The obligations of the Purchaser and the Vendor to complete the purchase and sale of the Property will be subject to satisfaction of the following condition(s):

(i) Within **SIXTY (60) days** after the Vendor having given the Purchaser written notification of the satisfaction or waiver of the Vendor's Second Condition, the Liquidator obtaining the court orders required pursuant to section 279(1) of the Act (collectively the "Vesting Orders"), including to vest title to the strata lots comprising the Property in the name of the Liquidator, effective on the Closing Date, (the "**Third Vendor's Condition**").

The Administrator may, by written notice, extend the date for satisfaction of the Third Vendor's Condition from time to time, provided that the Third Vendor's Condition may not be extended by more than **NINETY (90) days** after the original date for satisfaction of the Third Vendor's Condition.

and

(ii) The Liquidator obtaining a $\frac{3}{4}$ vote resolution to approve the disposition of the Property and any other land and/or personal property in accordance with section 282 of the SPA (a "**Liquidator's Section 282 Resolution**") following the grant of the Vesting Orders, the approval of a Liquidator's Section 282 Resolution by the Owners (the "**Fourth Vendor's Condition**") within **THIRTY (30) days** of the Third Vendor's Condition being satisfied.



If the Second Vendor's Condition, the Third Vendor's Condition and, the Fourth Vendor's Condition are not satisfied within the times provided, the Agreement shall become null and void. In such an event, and subject to paragraph 10, the Deposit will be returned to the Purchaser immediately.

- (e) 100% Approval of 80% Vote Resolution: The parties acknowledge and agree that the procedures associated with the Second Vendor's Condition and Third Vendor's Condition are necessary to effect a sale of land within a strata plan where 80% or more, but less than 100%, of the owners of strata lots wish to appoint a liquidator to wind up the strata corporation and sell the land within the strata plan.

If, at any time, 100% of the Owners decide that they wish to have all the land within Strata Plan VR456 sold pursuant to the terms of the Agreement, then at the option of the Administrator, the Liquidation Process will be suspended or will not be used to complete the sale and purchase of the Property and, instead, the Purchaser, as purchaser, will enter into a new or amended Agreement with all such Owners, as vendors, with such changes to the Agreement as may be required to provide that the Owners will be the vendors thereunder, to delete the Second Vendor's Condition and Third Vendor's Condition and to provide that, to the extent the Deposit payments contemplated in Section 5(b) have not already been paid, they will be payable on the later of the date on which the Purchaser's Conditions are satisfied or waived by the Purchaser and the date which is three (3) business days after the execution and delivery of the new or amended Agreement by the Purchaser and all the Owners.

Provided that, if the new or amended Agreement is not executed and delivered by all of the Owners within thirty (30) days after the date on which the Strata Corporation has advised the Purchaser that all of the Owners have agreed to sell their strata lots to the Purchaser, then the Liquidation Process will be resumed.

7. Communications: The Purchaser acknowledges that all communications with the Vendor regarding the subject matter of this LOI shall, as long as the Administrator's appointment continues, take place only through the Administrator or Goodman, unless otherwise directed by the Administrator in writing.
8. Return of Vendor's Materials: All copies of the Vendor's Materials will be returned to the Vendor or destroyed if the Agreement is not executed within the time provided.

OpenForm[™]

PROPERTIES

- 9. Closing: The Closing will occur on a date to be agreed between the parties, not later than **ONE HUNDRED TWENTY (120)** days after satisfaction of the Vendor's Fourth Condition.
- 10. Costs: The Purchaser acknowledges that the Vendor will need to incur significant costs to complete the sale of the Property to the Purchaser with the assistance of the Liquidator (the "**Vendor's Completion Costs**").

Within 5 business days of the satisfaction of the Third Vendor's Condition and the Fourth Vendor's Condition, in accordance with the Agreement, the Purchaser will assist the Vendor in paying such Vendor's Completion Costs by providing all necessary instructions to the Purchaser's solicitor to release from the Deposit up to **\$35,000.00** in aggregate, to pay the Vendor's Completion Costs, including legal and Liquidator's fees as incurred. Notwithstanding paragraph 5 and 7 of this LOI, all such funds released from the Deposit will be non-refundable, ~~even in the event that the Second Purchaser's Condition is not satisfied.~~

[je] [ns] 7 [ns] [je]

Otherwise, the Purchaser and the Vendor will each bear their own expenses in connection with this Letter of Intent and the purchase and sale of the Property.

- 11. Confidentiality: Except as contemplated in paragraph 12(b) or as otherwise may be necessary to disclose to the BC Supreme Court to satisfy the Vendor's Second Condition and the Third Vendor's Condition, all negotiations regarding the Property will be confidential and will not be disclosed to anyone other than the Owners, and the respective advisors and internal staff of the parties and necessary third parties, such as lenders approached for financing.
- 12. Next Steps: Upon execution of this Letter of Intent:
 - (a) Each of the Purchaser and the Vendor will act honestly, diligently and in good faith in their respective endeavors to negotiate, settle and execute the Agreement within **Fourteen Days (14)** days following the waiver or satisfaction of the First Vendor's Condition. The Purchaser acknowledges that, given the nature of the Vendor as a strata corporation established under the SPA, the Agreement will contain very few of the representations and warranties contained in a typical agreement of purchase and sale;
 - (b) The Vendor will:
 - (i) call a meeting of the Owners pursuant to paragraph 6(a) of this LOI;
 - (ii) take such other steps as the Administrator deems necessary to;

MB



- A. inform the Owners of the transaction contemplated herein, and to ascertain the level of support to proceed;
- B. identify issues which should be addressed in the Agreement; and
- C. keep the Purchaser informed as to the foregoing; and

(c) The Purchaser will diligently pursue satisfaction of the Purchaser's First and Second Conditions.

13. Assignment: The Vendor and the Purchaser agree that:

- (a) this letter of intent must not be assigned without the written consent of the Vendor (except for assignment to an affiliate of the Purchaser); and
- (b) the Vendor is entitled to any profit resulting from an assignment of this letter of intent by the Purchaser or any subsequent assignee. No assignment will release the Purchaser from its obligations hereunder.

Notwithstanding the foregoing in this paragraph 14, the Purchaser shall have the right to assign this LOI / the Agreement to a company that is an affiliate of the Purchaser, and which the Purchaser or an affiliate of the Purchaser is no less than a 50% owner of the issued and outstanding shares thereof (with Affiliate having the meaning ascribed to it in the Business Corporation Act (British Columbia)) or other affiliated entity of the Purchaser, provided that notice of such assignment is provided to the Vendor within a reasonable period of time prior to application to approve the Vesting Order so that such assignment may be incorporated therein, and upon such assignment being made it is understood and agreed that the Purchaser shall not be relieved of any and all covenants, obligations and/or liabilities herein contained and the Vendor agrees to complete the transaction herein with the said assignee as if the assignee were the original named Purchaser. In the event that the Purchaser assigns this LOI/the Agreement as permitted by this paragraph 14, the Purchaser will forthwith provide notice in writing to the Administrator and, if appointed, the Liquidator.

13 [ns] [je]

14. Not a Binding Agreement: This LOI (except paragraphs 9, 11, 13, and 14 hereof) does not create a binding contract and will not be enforceable. Only the definitive Agreement, duly executed and delivered by the Vendor and the Purchaser, will be enforceable.

5 (a), 11, 12, 13, 14 [ns] [je]

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OpenForm™

PROPERTIES


15. As Is: The Purchaser will acquire the Property on the Closing Date in "as-is" condition, as of the date of satisfaction or written waiver of the Purchaser's Conditions.
16. No Warranties: The Purchaser has relied solely upon its own due diligence examinations and inquiries and acknowledges that the Vendor has made no warranty or representation with respect to the state or condition of the Property upon which the Purchaser has relied.
17. Occupancies after Closing: Any Strata Lot owner who executed and delivers to the Purchaser, on or before the Closing Date, an owners' agreement (the "Owner's Agreement") in the form to be attached to the Agreement may, following the Closing Date, continue to remain in possession of the dwelling unit consisting of the Strata Lot which was owned by such owner prior to the cancellation of the Strata Plan rent free (but such owner will be responsible for utilities), until no later than the date (the "Delayed Possession Date") which is four (4) months following the Closing Date, and, subject to the following paragraph, the Purchaser will have vacant possession of such Strata Lot from and after the Delayed Possession Date. For greater certainty, any Strata Lot owner who does not execute and deliver to the Purchaser an Owner's Agreement on or before the Closing Date will be required to vacate the Property on or before the Closing Date.
18. Agency Disclosure:
 - (a) The Purchaser hereby acknowledges that **Goodman** represented by Mark Goodman PREC, and Cynthia Jagger PREC (collectively the "**Designated Agents**") have an agency agreement to represent the Vendor as a client in respect of the transaction contemplated herein; and the Purchaser hereby further acknowledges and confirms that **Goodman** and the Designated Agents have no agency relationship with the Purchaser and thereby confirms that they are an Unrepresented Party in accordance with the *Real Estate Services Act* of British Columbia.
19. Sales Commissions: The Vendor will be solely responsible for payment of a sales commission to Goodman in connection herewith.



20. Acceptance: If the Strata Corporation is agreeable to the foregoing terms, please sign and return a duplicate copy of this Letter of Intent by no later than by 5:00 p.m. August 16~~th~~th, 2020. An electronically transmitted copy is acceptable.

[je/ms] Yours truly,

OpenForm Properties Ltd

Per: 

The above terms are accepted this 05 day of August, 2020.

THE OWNERS, STRATA PLAN VR156

Per:

Authoriser	
<u>J. Garth Cambrey</u>	08/06/2020
<small>08/06/2020 9:35:04 AM PDT</small>	

Garth Cambrey, Administrator

MB

This is **Exhibit "N"** referred to in the affidavit
of Mark Goodman, affirmed before me on
June 10, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3587

MB

SPECIAL GENERAL MEETING**THE OWNERS, STRATA PLAN VR 456 – SPRUCE WEST**

DATE HELD: Wednesday, September 2, 2020
LOCATION: Underground Parking Garage, 1318 West 13th Ave., Vancouver, BC
CALL TO ORDER: 7:00 PM

Owners in Attendance: Agnes Mui, 101 and 201
Peter Tovbis, 301
Michelle Mok and Dr. James Mok, 401
Tracey MacLennan and Suzanne Foster, Executors, 501
Dan Sonnenschein, 601

Guests: Paul Mendes, Lesperance Mendes
Dixon Sunthoram, Lesperance Mendes
Cynthia Jagger, Goodman Commercial Inc.
Mark Goodman, Goodman Commercial Inc.

Also in Attendance: J. Garth Cambrey, Court Appointed Administrator

1. CALL TO ORDER

The Court Appointed Administrator, Mr. Garth Cambrey, called the meeting to order at 7:00 p.m. Mr. Cambrey introduced the guests present.

2. CERTIFICATION OF PROXIES

Prior to the commencement of the Meeting, it was determined that six (6) votes were present in person and zero (0) votes were present by proxy for a total representation of six (6) votes. Mr. Cambrey advised that voting cards were not distributed due to COVID-19 concerns, but that they were available if requested or needed.

3. DETERMINATION OF QUORUM

Mr. Cambrey advised that the quorum of two (2) votes had been met and he declared that the meeting was competent to proceed with business.

4. ELECTION OF PERSON TO CHAIR THE MEETING

Mr. Cambrey advised that he would chair the meeting as the sole representative of the Strata Corporation and Strata Council under the terms of the April 17, 2020 BC Supreme Court Order.

5. PROOF OF NOTICE OF MEETING

Owners were advised that Notice of the Special General Meeting was distributed on August 13, 2020 in accordance with the bylaws and the *Strata Property Act*.

It was **MOVED AND SECONDED (601/501)**

That Proof of Notice of the Meeting be accepted.

A vote was taken by a show of hands and the resolution to accept proof of notice of the meeting was declared

CARRIED (5 votes in favour, 401 abstained)

6. APPROVAL OF AGENDA

Mr. Cambrey declared the Agenda distributed with the Notice of Meeting be approved as circulated.

7. APPROVAL OF THE PREVIOUS MINUTES

It was **MOVED AND SECONDED (601/201)** that the previous Annual General Meeting minutes of July 13, 2020 be approved as distributed.

Dr. Mok requested clarification on the discussion about “variances” under heading 12 about the approving the budget on page 9 of the minutes. Tracey MacLennan offered an explanation as she originally raised the concern. Ms. MacLennan explained she had two items of concern about the treasurer funding professional services without the knowledge of all strata council members. Those relate to the:

- a. April 2018 fire stopping repairs in the exit stairways, and
- b. 2019 procurement of Clark Wilson LLP.

Dr. Mok also wondered what came of the discussion on the strata corporation retaining legal counsel independent of the Administrator, as detailed on page 9 of the minutes under heading 13.

Mr. Cambrey explained that it is open to the strata corporation to retain legal counsel as was reflected in the minutes. In response to Dr. Mok’s question on what assistance Mr. Cambrey had provided in retaining independent legal counsel, Mr. Cambrey advised he had not taken any steps because he was not instructed to do so. However, he remained open to assist the strata corporation if there was interest for it to retain separate legal counsel.

Following discussion, Mr. Cambrey asked owners to indicate their interest in the strata corporation retaining separate legal counsel. Only 401 expressed an interest.

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A vote was taken by a show of hands and the resolution to approve the previous minutes was declared

CARRIED (5 votes in favour, 401 abstained)

8. UNFINISHED BUSINESS

There was no unfinished business that was not included on the agenda.

9. NEW BUSINESS

a. Winding up Instructions – Majority Vote Resolution

It was **MOVED AND SECONDED (301/601)**

WHEREAS the British Columbia Supreme Court made an order under s. 174 of the *Strata Property Act*, S.B.C. 1998, c. 43 (the "Act") on April 17, 2020, appointing Garth Cambrey as the administrator of The Owners, Strata Plan VR 456 (the "Order").

AND WHEREAS under the terms of the Order, the administrator must exercise the powers and perform all the duties of the strata corporation and its strata council, subject to the requirements of the Act.

AND WHEREAS the Order also authorizes the administrator to take all reasonable and necessary steps to investigate and complete a voluntary winding up of the strata corporation with a liquidator under Part 16, Division 2 of the Act.

AND WHEREAS the administrator entered into a listing agreement Goodman Commercial Inc. on July 9, 2020, to market and sell the strata corporation lands and building (the "Property").

AND WHEREAS OpenForm Properties Ltd. (OpenForm) has offered to purchase the Property for \$4,350,000 subject to certain terms and conditions set out in a Letter of Intent signed by the administrator and OpenForm on August 7, 2020 (the "L.O.I.").

AND WHEREAS the L.O.I. requires the strata corporation to convene a special general meeting within 30 days, and no later than September 4, 2020, to determine whether, in the sole discretion of the administrator, there is sufficient support among the owners to proceed with a general meeting to approve the winding up of the strata corporation on the terms set out in the L.O.I.

AND WHEREAS the administrator has the discretion to apply to the Court for directions or an order to investigate and oversee a voluntary or Court ordered windup of the strata corporation.

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AND WHEREAS, under s. 27 of the Act, a strata corporation may direct or restrict the Council in its exercise of powers and performance of duties by a resolution passed by a majority vote at an annual or special general.

BE IT RESOLVED by a **MAJORITY VOTE** of **THE OWNERS, STRATA PLAN VR 456** (the "Strata Corporation") that the Strata Corporation be directed to authorize the administrator to proceed with the voluntary winding up of the Strata Corporation under the terms and conditions set out in the L.O.I. and subject to the provisions of the *Strata Property Act*.

END OF RESOLUTION

Explanatory Notes:

This resolution authorizes the administrator to proceed to wind up the strata corporation based on the terms and conditions set out in the attached L.O.I. If the owners approve this resolution, the administrator will:

1. cause the strata to enter into a definitive agreement of purchase and sale based on the terms set out in the L.O.I.,
2. retain a liquidator,
3. convene a special general meeting to appoint a liquidator and approve the winding up of the strata, and
4. apply to the B.C. Supreme Court on the strata corporation's behalf to confirm the winding up of the strata corporation.

Following a brief discussion on the proposed resolution, Mr. Cambrey turned the meeting over to Mark Goodman and Cynthia Jagger to review the process they followed in marketing the property and obtaining the Letter of Intent from OpenForm.

Mr. Goodman explained the marketing process that included creating a website, a social media program on Facebook for Business and LinkedIn, contacting Goodman Commercial Inc.'s client list, and mailing an information brochure created for the property.

The responses generated were pleasantly surprising and resulted in about 30 confidentially agreements being signed allowing interested parties to obtain pertinent documents. The challenges of the pending building repairs and City of Vancouver Work Order for the exit stairways resulted in several verbal offers ranging

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from low \$2,000,000 to low \$3,000,000. There were 5 legitimate interested parties and 2 letters of intent were offered and considered.

Mr. Goodman provided a handout for owners that included further details on the 5 offers and explained how negotiations with 2 parties resulted in the signed letter of intent with OpenForm that is now being considered.

Mr. Goodman felt it was a very competitive process where the market established the property value. He advised that arrangements were made for the buyer's representatives to inspect the property with representatives from 3 engineering firms.

Owners were advised of the next steps in the process that included negotiating a Purchase and Sale agreement incorporating the terms of the letter of intent, removing subjects and increasing the buyer's deposit to \$260,000. Also, that the court process to windup the strata was a long process.

It was noted that the strata corporation remains responsible for the repair and maintenance of common property and assets until the transfer of the property to the purchaser has completed.

There was also discussion concerning the property's RM3 zoning as it might apply to redevelopment of the property.

Following discussion on the valuation methods used to determine the listing price, Ms. Mok suggested that the property value was closer to \$6,000,000. Mr. Goodman and Ms. Jagger disagreed stating the market value was established through the marketing process and is lower than \$6,000,000 because of the required repairs to a building that is failing. It was also noted that the City of Vancouver Work Order must continue.

Discussion followed about the requirements of the buyer that included completing its due diligence, likely retaining engineers and other professionals, and arranging financing. Based on the dates established in the letter of intent it was noted that the sale could complete between November 2021 and August 2022, but that shorter completion date could be achieved if all 6 strata lots were sold to the buyer. Mr. Goodman advised that buyer is open to purchasing all strata lots, which would not require the strata corporation to be wound up.

Under the court process, an 80% vote is required to appoint a liquidator to wind up the strata corporation. Concerns were expressed that the strata corporation would remain responsible for the building repairs during that process, which could be up to 2 years. The matter of required building repairs to make 501 habitable was also

MB

discussed.

There was also discussion about the process involved if the proposed resolution giving direction to wind up the strata corporation failed. It was suggested the options included applying for a court-ordered wind up, arranging for sale of 100% of the strata lots to a buyer, or repairing the building envelope.

Following discussion on what would be required to pursue a 100% sale of the strata lots, including amendments to the Administrator mandate (which could be achieved by consent); a straw vote was taken on whether owners would be in favour of pursuing a 100% sale of the strata lots. Based on estimates relating to costs associated with a windup provided by the Administrator, it is estimated owners could save in excess of \$40,000 per strata lot in legal and liquidator costs plus a significant amount of time through a 100% sale.

The results of the straw vote were that 401 was not in favour of a 100% sale at this time. Following discussion about keeping the 100% sale option open,

It was **MOVED AND SECONDED (601/501)**

That the majority vote be amended by adding the following wording to the resolution:

"and that the strata corporation reserves the right to authorize the Administrator to pursue a private sale of all six (6) strata lots, under a single agreement, at a future date."

A vote was taken by a show of hands and the amendment to the majority vote resolution was declared

CARRIED (5 votes in favour, 401 abstained)

A vote was taken by a show of hands and the amended majority vote resolution to provide instructions to the Administrator was declared

CARRIED (5 votes in favour, 401 abstained)

h. Petitioners' Reasonable Legal Fees – ¾ Vote Resolution

A motion was made by 501 to consider the ¾ Vote Resolution but it was not seconded. Mr. Cambrey advised the resolution could not be discussed unless the motion was seconded. He also noted that considering the proposed resolution provides an opportunity for owners to agree to a reduced amount of legal fees, if there is unanimous agreement.

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It was then **MOVED AND SECONDED (501/401)**

WHEREAS:

The Administrator for the Owners, Strata Plan VR 456 ("Strata Corporation") is required to call a meeting of the owners pursuant to paragraph 4 of the BC Supreme Court Consent Order dated April 17, 2020 ("Consent Order") to consider a resolution to reimburse the Petitioners named in Supreme Court Action #NEW-S-S-22743, New Westminster Registry their reasonable legal costs in the Court proceedings leading to the Consent Order;

AND WHEREAS:

The Administrator has recently received correspondence from the Petitioners' legal counsel stating that the Petitioners' reasonable legal fees amount to \$20,000;

BE IT RESOLVED

By a ¾ vote of the Strata Corporation, that a special levy in the aggregate amount of Twenty Thousand Dollars (\$20,000.00) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of paying the reasonable legal costs of the Petitioner in the legal proceedings leading up to and resulting in the Consent Order. Such special levy shall be due immediately but may be paid, for convenience purposes only, on October 1, 2020 as set out in Schedule "A" below.

SCHEDULE "A"

THE OWNERS, STRATA PLAN VR 456 - Spruce West

SPECIAL LEVY SCHEDULE

Petitioners' Legal Costs

TOTAL SPECIAL LEVY		\$20,000.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$3.48554

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY
1	101	984	\$3,429.76
2	201	977	3,405.37
3	301	977	3,405.37
4	401	977	3,405.37
5	501	977	3,405.37
6	601	846	2,948.76
TOTAL	TOTAL	5,738	\$20,000.00

MB

Mr. Cambrey asked Ms. MacLennan if the petitioners were open to accepting an amount less than set out in the resolution and was advised that \$14,000 would be acceptable. The remaining owners did not agree with the revised amount and Mr. Mendes advised that there is no doubt the petitioners will get some costs.

It was then **MOVED AND SECONDED (601/501)**

That the $\frac{3}{4}$ Vote Resolution be amended to an amount of \$14,000.

Following discussion, Mr. Mendes advised the court awards costs based on a tariff. Considering the court order issued was by consent, he suggested the tariff might result in a \$10,000 amount.

It was then **MOVED AND SECONDED (601/501)**

That the amendment to the $\frac{3}{4}$ Vote Resolution be amended to reflect an amount of \$10,000.

Following discussion on legal fees paid by other owners who supported the consent order, a vote was taken by a show of hands and the amendment to the amendment was declared

DEFEATED (2 in favour (601 and 501), 4 opposed (401, 301, 201 and 101))

Following further discussion, a vote was taken by a show of hands on the amendment to the $\frac{3}{4}$ Vote Resolution and it was declared

DEFEATED (2 in favour (601 and 501), 4 opposed (401, 301, 201 and 101))

A vote was taken by a show of hands on the original $\frac{3}{4}$ Vote Resolution and it was declared

DEFEATED (2 in favour (601 and 501), 4 opposed (401, 301, 201 and 101))

16. **ADJOURNMENT**

There being no further business, owners were thanked for their attendance and the meeting was terminated at 9:46 p.m.


MB

This is Exhibit "O" referred to in the affidavit of
Mark Goodman, affirmed before me on
June 1st, 2021



A Commissioner for Taking Affidavits
In British Columbia

Megan J. Buchanan
Lawyer
880-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567



From: [Mark Goodman](#)
 To: [Megan Buchanan](#)
 Subject: Fwd: West 13th - Further Financial Analysis
 Date: Wednesday, May 12, 2021 1:31:59 PM

CAUTION: This email originated from outside of the organization. Do not click on links or open attachments unless you recognize the sender and know the content is safe.

Mark Goodman
 Principal
 Personal Real Estate Corporation
 Direct: 604 714 4790
goodmanreport.com

Goodman Commercial Inc.
 560-2608 Granville Street
 Vancouver V6H 3V3
 Office: 604 558 5511

----- Forwarded message -----

From: **Norm Shearing** <nshearing@openformproperties.ca>
 Date: Tue, Sep 22, 2020 at 5:36 PM
 Subject: Re: West 13th - Further Financial Analysis
 To: Mark Goodman <mark@goodmanreport.com>
 Cc: Cynthia Jagger <cynthia@goodmanreport.com>

Bummer! But what else could he do. Thanks for letting me know. Please keep us in mind if things go sideways with this group.

All the best, Norm

Sent from my iPhone

On Sep 22, 2020, at 5:03 PM, Mark Goodman <mark@goodmanreport.com> wrote:

Hi Norm,

MB

Appreciate the time you took to provide feedback. The Administrator has decided to work with another group with a higher price. We'll keep you posted in case things change. With respect to the deposit, here is a response from the Administrator:

Hi Mark,

Further to our telephone discussion this afternoon, I agree to the release of the deposit to OpenForm if that has not already occurred.

Regards,

J. Garth Cambrey, B. Comm., C.Arb., RI
Administrator

Mark Goodman
Principal
Personal Real Estate Corporation
Direct: 604 714 4790
goodmanreport.com

Goodman Commercial Inc.
560-2608 Granville Street
Vancouver V6H 3V3
Office: 604 558 5511

From: Mark Goodman <mark@goodmanreport.com>
Sent: Tuesday, September 22, 2020 12:11 PM
To: 'Norm Shearing' <nshearing@openformproperties.ca>; Cynthia Jagger <cynthia@goodmanreport.com>
Subject: RE: West 13th - Further Financial Analysis

Hi Norm,

MB

Thank you for your email - we will bring this to the Administrator and get back to you.

Regards,

Mark Goodman
Principal
Personal Real Estate Corporation
Direct: 604 714 4790
goodmanreport.com

Goodman Commercial Inc.
560-2608 Granville Street
Vancouver V6H 3V3
Office: 604 558 5511

From: Norm Shearing <nshearing@openformproperties.ca>
Sent: Tuesday, September 22, 2020 12:07 PM
To: cynthia@goodmanreport.com; Mark Goodman
<mark@goodmanreport.com>
Subject: West 13th - Further Financial Analysis

Hi Cynthia and Mark,

Further to your call yesterday, I have summarized three proformas for your review and consideration for the West 13th property; two, based on a concrete a high rise form and one for a 4 storey townhouse.

Each of the two concrete proformas use the same base numbers:

1. Gross Density	9,750 sf
2. FSR	1.56
3. Saleable Density	7,630 sf
4. Units	8
5. Sales revenue	\$1,650/ssf
6. Costs	\$8,302,060

The Cost number includes Hard Costs, DCC's, Soft Costs, Soft Cost contingency,

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Marketing, Property Tax and Financing. For this exercise I have kept the financing cost the same for both options. The variables under costs are the Land and Property Purchase Tax.

Option 1

In this option I put in a plugged number for the land at \$2.5 million and it produced a ROC of 12%.

Option 2

In this option I did a land residual calculation based on a ROC of 15% and it yielded a land value of \$2.24 million.

Option 3

The 4 storey townhouse used the following numbers:

1. Gross Density	8,063 sf
2. Saleable Density	8,063 sf
3. FSR	1.29
4. Units	8
5. Sales Revenue	\$1,400/ssf

Under the zoning, the greater the building foot print area, the less density you are able to place on the site. This accounts for the difference in FSR between the concrete tower (small footprint) and the townhouse form (large footprint). Refer to architectural drawings sent in my September 18th email.

Under this scenario it produces a land value of \$2.8 million.

Analysis/Musings

1. Sales value

Under both the concrete at \$1,650 and woodframe at \$1,400, the sales value used in the proforma are at the higher end for the area. A more supportable number for the woodframe is likely in the \$1,200s and \$1,400 - \$1,500s for the tower. To

achieve the higher numbers a higher level of spec. is required

2. Construction Costs

Because both construction options are very small, the costs are high. Under the woodframe option I cannot get my construction costs down enough to support a lower sales price. On the concrete option I received two quotes that were quite far apart and I blended the two for use in my proformas. I received one quote for the woodframe which was high but then I thought their concrete price was high until I received the second quote which was higher.

Offer

Under the three options the land values range from \$2.24 M to 2.8 M. Both the concrete and woodframe options carry their own degree of risk and I have rarely seen an early construction number be reduced with additional design and specification information. That said, I believe a land purchase price of \$2.5 million is supportable.

This is a big change from the original offer and I feared this would happen once I (or anyone) had the opportunity to look into the financials of the project. This certainly won't make the process any easier or shorter but we are patient and will do what is needed if given the opportunity to move through the process with you. Please let me know what you think. I look forward to hearing from you.

Cheers, Norm

Norm Shearing

President

<image001.jpg>

2040 Burrard Street

Vancouver, BC V6J 3H5

t 604.659.3208

c 604.379.6778

MB

This is Exhibit "P" referred to in the
affidavit of Mark Goodman, affirmed before
me on 10, 2021



A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567



LETTER OF INTENT

September 21, 2020

To: The Owners, Strata Plan VR456 (the "**Strata Corporation**") c/o Goodman Commercial Inc. ("**Goodman**") #560-2608 Granville Street, Vancouver, BC, V6H 3V3

Attention: Mark Goodman Personal Real Estate Corporation and
Cynthia Jagger Personal Real Estate Corporation

RE: 1089 West 13th Avenue, Vancouver, B.C., (the "**Property**")

The following sets out the basic terms upon which we, Butterscotch Holdings Inc. (the "**Purchaser**") would be prepared to purchase the Property. The terms are not comprehensive and we expect that additional terms will be incorporated into a formal agreement (the "**Agreement**") to be negotiated. In making this offer, we acknowledge your information to us that:

- The Strata Corporation is a strata corporation established under the *Strata Property Act* (the "**SPA**"), represented by its administrator (the "**Administrator**"), Garth Cambrey, pursuant to an order of the B.C. Supreme Court, dated April 17, 2020 (collectively the "**Administrator Order**") in the matter of *MacLennan and others, v. The Owners, Strata Plan VR456*, BCSC New Westminster Registry No. S222743, who may contractually bind the Strata Corporation in accordance with authority granted to the Administrator pursuant to the Administrator Order. More specifically, pursuant to the Administrator Order, the Administrator has the power to cause the Strata Corporation to execute this LOI, and negotiate and enter into the Agreement with the Purchaser, provided that certain decisions of the Administrator are conditional upon obtaining the approvals required under the SPA.
- The **Administrator Order** authorizes the **Administrator** to proceed with the proposed transaction in the process described in Part 16, Division 2 of the SPA, being a "Voluntary Winding Up With Liquidator". Alternatively, the Administrator may apply to the BC Supreme Court to amend the Administrator Order to allow the Administrator to proceed under Part 16, Division 3 of the SPA, being an "Involuntary Winding Up With Liquidator" (either being, the "**Winding Up Process**").
- The Winding Up Process will not be formally commenced unless either of the following occurs:
 1. the Winding Up Resolutions (as defined in paragraph 6(c)(i)A of this LOI) are approved at a special general meeting of the Strata Corporation; or

2. the Winding Up Resolutions are not approved, but the Administrator elects to make, and succeeds with, an application to BC Supreme Court to seek a Court Order pursuant to Section 284 of the SPA to complete an Involuntary Winding Up With Liquidator.

The basic terms proposed for the Agreement are as follows:

1. Purchaser: Butterscotch Holdings Inc.
2. Vendor: The Owners, Strata Plan VR456 (collectively the "Vendor" or the "Strata Corporation")
3. Property: The entire development as "Spruce West" comprising 6 residential units and common property, located in a single building, as currently further described as:

Strata Lots 1 – 6
 VR456, District Lot 526, New Westminster Land District, PID 004-046-471, 004-046-480, 004-046-498, 004-046-501, 004-046-510, 004-046-528

together with an interest in the common property in proportion to the unit entitlement of the strata lots as shown on Form 1

free and clear of all liens, charges and encumbrances at Closing, except those non-financial charges and recorded on titles to the Property as at the date hereof and tenancies of any strata lots that have not terminated as of Closing.

4. Purchase Price: \$3,900,000
5. Deposits: Subject to paragraph 10 of this Letter of Intent:
 - (a) Within 2 business days of mutual execution of this letter, the Purchaser will deposit with the Purchaser's lawyer (being Madaisky & Company) in trust, the amount of \$100,000 (the "Deposit") which will be invested in an interest bearing trust account with any interest accruing to the Purchaser and will be fully refundable to the Purchaser if the Agreement is not entered into by the parties within the time provided herein;
 - (b) Within 5 business days of the Purchaser giving notice to the Vendor that the First Purchaser's Condition (as defined in paragraph 6 of this LOI) has been waived or satisfied in accordance with the Agreement, the Deposit will be increased by the Purchaser an additional \$100,000 to total \$200,000 and will be fully refundable to

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the Purchaser in the event that the Vendor's Second Condition (as defined in paragraph 6 of this LOI) is not satisfied or waived within the time provided herein;

- (c) Within 5 business days of the Vendor giving the Purchaser notice that the Vendor's Second Condition has been satisfied or waived in accordance with the Agreement, the Deposit will be increased by the Purchaser by an additional \$100,000 to total \$300,000 and, except as set out in paragraph 11 of this LOI, will be fully refundable in the event that the Second Purchaser's Condition is not satisfied or waived; and

The Deposit and any accrued interest will be applied to the Purchase Price at the closing ("Closing") of the purchase and sale of the Property in accordance with the Agreement. If the Purchaser defaults at Closing, the Deposit and any accrued interest will be released to the Vendor as liquidated damages and its sole remedy.

6. Conditions Precedent:

- (a) First Vendor's Condition: The obligation of the Vendor to enter into the Agreement regarding the proposed sale of the Property to the Purchaser will be subject to satisfaction or written waiver by the Vendor of the following condition within thirty (30) days of mutual acceptance of this LOI: consultation by the Administrator with the owners of the strata lots comprising the Property (the "Owners") to determine whether, in the sole discretion of the Administrator, there is sufficient support among the Owners to proceed with the holding of a general meeting of the Strata Corporation for the purposes of passing the Winding Up Resolutions (the "First Vendor's Condition");
- (b) First Purchaser's Condition: The obligation of the Purchaser to purchase the Property will be subject to satisfaction or written waiver by the Purchaser of the following condition(s) (collectively the "First Purchaser's Condition") within ten (10) days after the mutual execution of the Agreement:
 - (11) The Purchaser conducting, and being satisfied in its sole discretion with, the results of environmental and geotechnical investigations of the Property; and
 - (12) The Purchaser conducting, and being satisfied in its sole discretion with, a review of the physical condition of the existing structures on the Property.
- (c) Vendor's Second Condition: The obligations of the Purchaser and the Vendor to complete the purchase and sale of the Property will be subject to satisfaction of the following condition(s) (collectively, the "Vendor's Second Condition") within **TWO HUNDRED TEN (210)** days after the Purchaser having given the

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Administrator notice in writing of the waiver or satisfaction of the First Purchaser's Condition:

Either:

(i) the Strata Corporation:

- A. passing the resolutions required pursuant to the Winding Up Process, including to:
 - (1) appoint the Liquidator;
 - (2) approve the winding up of the Strata Corporation;
 - (3) approve the sale of the Property on the terms set out in the Agreement; and
 - (4) if required, approve use of funds from the contingency reserve fund and/or impose a special levy to pay costs of the Winding Up Process,

(collectively, the "Winding Up Resolutions"); and

- B. obtaining from the BC Supreme Court an order pursuant to section 278.1(4) of the SPA to confirm the winding up of the Strata Corporation (collectively, the "Winding Up Confirmation Order");

OR

(ii) in the event that the Strata Corporation fails to pass the Winding Up Resolutions and the Administrator notifies the Purchaser in writing (the "Division 3 Notice") within THIRTY (30) days of the date of the meeting at which the voting on such resolutions took place that the Administrator intends to seek from the BC Supreme Court an order for the winding up of the Strata Corporation and the appointment of the Liquidator pursuant to section 284 of the Act (collectively the "Division 3 Orders"), the Administrator obtaining the Division 3 Orders.

The Administrator may, by written notice, extend the date for satisfaction of the Vendor's Second Condition from time to time, provided that the Vendor's Second Condition may not be extended by more than ONE HUNDRED EIGHTY (180) days after the original date for satisfaction of the Vendor's Second Condition.

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(d) Vendor's Third and Fourth Conditions: The obligations of the Purchaser and the Vendor to complete the purchase and sale of the Property will be subject to satisfaction of the following condition(s):

(i) Within **SIXTY (60) days** after the Vendor having given the Purchaser written notification of the satisfaction or waiver of the Vendor's Second Condition, the Liquidator obtaining the court orders required pursuant to section 279(1) of the Act (collectively the "**Vesting Orders**"), including to vest title to the strata lots comprising the Property in the name of the Liquidator, effective on the Closing Date,

(the "**Third Vendor's Condition**").

The Administrator may, by written notice, extend the date for satisfaction of the Third Vendor's Condition from time to time, provided that the Third Vendor's Condition may not be extended by more than **NINETY (90) days** after the original date for satisfaction of the Third Vendor's Condition.

and

(ii) The Liquidator obtaining a $\frac{2}{3}$ vote resolution to approve the disposition of the Property and any other land and/or personal property in accordance with section 282 of the SPA (a "**Liquidator's Section 282 Resolution**") following the grant of the Vesting Orders, the approval of a Liquidator's Section 282 Resolution by the Owners (the "**Fourth Vendor's Condition**") within **THIRTY (30) days** of the Third Vendor's Condition being satisfied.

If the Second Vendor's Condition, the Third Vendor's Condition and, the Fourth Vendor's Condition are not satisfied within the times provided, the Agreement shall become null and void. In such an event, and subject to paragraph 10, the Deposit will be returned to the Purchaser immediately.

(e) 100% Approval of 80% Vote Resolution: The parties acknowledge and agree that the procedures associated with the Second Vendor's Condition and Third Vendor's Condition are necessary to effect a sale of land within a strata plan where 80% or more, but less than 100%, of the owners of strata lots wish to appoint a liquidator to wind up the strata corporation and sell the land within the strata plan.

If, at any time, 100% of the Owners decide that they wish to have all the land within Strata Plan VR456 sold pursuant to the terms of the Agreement, then at the option of the Administrator, the Liquidation Process will be suspended or will not be used to complete the sale and purchase of the Property and, instead, the Purchaser, as purchaser, will enter into a new or amended Agreement with all such Owners, as vendors, with such changes to the Agreement as may be required to provide that the Owners will be the vendors thereunder, to delete the Second

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Vendor's Condition and Third Vendor's Condition and to provide that, to the extent the Deposit payments contemplated in Section 5(b) have not already been paid, they will be payable on the later of the date on which the Purchaser's Conditions are satisfied or waived by the Purchaser and the date which is three (3) business days after the execution and delivery of the new or amended Agreement by the Purchaser and all the Owners.

Provided that, if the new or amended Agreement is not executed and delivered by all of the Owners within thirty (30) days after the date on which the Strata Corporation has advised the Purchaser that all of the Owners have agreed to sell their strata lots to the Purchaser, then the Liquidation Process will be resumed.

7. Communications: The Purchaser acknowledges that all communications with the Vendor regarding the subject matter of this LOI shall, as long as the Administrator's appointment continues, take place only through the Administrator or Goodman, unless otherwise directed by the Administrator in writing.
8. Return of Vendor's Materials: All copies of the Vendor's Materials will be returned to the Vendor or destroyed if the Agreement is not executed within the time provided.
9. Closing: The Closing will occur on a date to be agreed between the parties, not later than **ONE HUNDRED TWENTY (120)** days after satisfaction of the Vendor's Fourth Condition.
10. Costs: The Purchaser acknowledges that the Vendor will need to incur significant costs to complete the sale of the Property to the Purchaser with the assistance of the Liquidator (the "**Vendor's Completion Costs**").

Within 5 business days of the satisfaction of the Third Vendor's Condition and the Fourth Vendor's Condition, in accordance with the Agreement, the Purchaser will assist the Vendor in paying such Vendor's Completion Costs by providing all necessary instructions to the Purchaser's solicitor to release from the Deposit up to **\$35,000.00** in aggregate, to pay the Vendor's Completion Costs, including legal and Liquidator's fees as incurred. Notwithstanding paragraph 5 and 7 of this LOI, all such funds released from the Deposit will be non-refundable.

Otherwise, the Purchaser and the Vendor will each bear their own expenses in connection with this Letter of Intent and the purchase and sale of the Property.

11. Confidentiality: Except as contemplated in paragraph 12(b) or as otherwise may be necessary to disclose to the BC Supreme Court to satisfy the Vendor's Second Condition and the Third Vendor's Condition, all negotiations regarding the Property will be confidential and will not be disclosed to anyone other than the Owners, and the respective advisors and internal staff of the parties and necessary third parties, such as lenders approached for financing.

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12. Next Steps: Upon execution of this Letter of Intent:

- (a) Each of the Purchaser and the Vendor will act honestly, diligently and in good faith in their respective endeavors to negotiate, settle and execute the Agreement within **Fourteen (14) days** following the waiver or satisfaction of the First Vendor's Condition. The Purchaser acknowledges that, given the nature of the Vendor as a strata corporation established under the SPA, the Agreement will contain very few of the representations and warranties contained in a typical agreement of purchase and sale;
- (b) The Vendor will:
 - (i) call a meeting of the Owners pursuant to paragraph 6(a) of this LOI;
 - (ii) take such other steps as the Administrator deems necessary to:
 - A. inform the Owners of the transaction contemplated herein, and to ascertain the level of support to proceed;
 - B. identify issues which should be addressed in the Agreement; and
 - C. keep the Purchaser informed as to the foregoing; and
- (c) The Purchaser will diligently pursue satisfaction of the Purchaser's First and Second Conditions.

13. Assignment: The Vendor and the Purchaser agree that:

- (a) this letter of intent must not be assigned without the written consent of the Vendor (except for assignment to an affiliate of the Purchaser); and
- (b) the Vendor is entitled to any profit resulting from an assignment of this letter of intent by the Purchaser or any subsequent assignee. No assignment will release the Purchaser from its obligations hereunder.

Notwithstanding the foregoing in this paragraph 14, the Purchaser shall have the right to assign this LOI / the Agreement to a company that is an affiliate of the Purchaser, and which the Purchaser or an affiliate of the Purchaser is no less than a 50% owner of the issued and outstanding shares thereof (with Affiliate having the meaning ascribed to it in the Business Corporation Act (British Columbia)) or other affiliated entity of the Purchaser, provided that notice of such assignment is provided to the Vendor within a reasonable period of time prior to application to approve the Vesting Order so that such assignment may be incorporated therein, and upon such assignment being made it is understood and agreed that the Purchaser shall not be relieved of any and all covenants, obligations and/or liabilities herein contained and the Vendor agrees to complete the transaction herein with the said assignee as if the assignee were the original named

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Purchaser. In the event that the Purchaser assigns this LOI/the Agreement as permitted by this paragraph 13, the Purchaser will forthwith provide notice in writing to the Administrator and, if appointed, the Liquidator.

14. Not a Binding Agreement: This LOI (except paragraphs 5 (a), 11, 12, 13, 14 hereof) does not create a binding contract and will not be enforceable. Only the definitive Agreement, duly executed and delivered by the Vendor and the Purchaser, will be enforceable.
15. As is: The Purchaser will acquire the Property on the Closing Date in "as-is" condition, as of the date of satisfaction or written waiver of the Purchaser's Conditions.
16. No Warranties: The Purchaser has relied solely upon its own due diligence examinations and inquiries and acknowledges that the Vendor has made no warranty or representation with respect to the state or condition of the Property upon which the Purchaser has relied.
17. Occupancies after Closing: Any Strata Lot owner who executed and delivers to the Purchaser, on or before the Closing Date, an owners' agreement (the "Owner's Agreement") in the form to be attached to the Agreement may, following the Closing Date, continue to remain in possession of the dwelling unit consisting of the Strata Lot which was owned by such owner prior to the cancellation of the Strata Plan rent free (but such owner will be responsible for utilities), until no later than the date (the "Delayed Possession Date") which is four (4) months following the Closing Date, and, subject to the following paragraph, the Purchaser will have vacant possession of such Strata Lot from and after the Delayed Possession Date. For greater certainty, any Strata Lot owner who does not execute and deliver to the Purchaser an Owner's Agreement on or before the Closing Date will be required to vacate the Property on or before the Closing Date.
18. Agency Disclosure:
 - (a) The Purchaser hereby acknowledges that **Goodman** represented by Mark Goodman PREC, and Cynthia Jagger PREC (collectively the "Designated Agents") have an agency agreement to represent the Vendor as a client in respect of the transaction contemplated herein; and the Purchaser hereby further acknowledges and confirms that **Goodman** and the Designated Agents have no agency relationship with the Purchaser and thereby confirms that they are an Unrepresented Party in accordance with the *Real Estate Services Act* of British Columbia.
19. Sales Commissions: The Vendor will be solely responsible for payment of a sales commission to Goodman in connection herewith.

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20. Acceptance: If the Strata Corporation is agreeable to the foregoing terms, please sign and return a duplicate copy of this Letter of Intent by no later than by 5:00 p.m. ~~August~~ *September* 25th, 2020. An electronically transmitted copy is acceptable.

Yours truly,

Butterscotch Holdings Inc.

Per:  _____

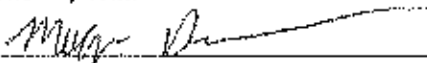
The above terms are accepted this _____ day of _____, 2020.

THE OWNERS, STRATA PLAN VR456

Per: _____
Garth Cambrey, Administrator

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This is Exhibit "Q" referred to in the affidavit of
Mark Goodman; affirmed before me on
June 10, 2021


A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3567

MB

From: [Mark Goodman](#)
To: [Megan Buchanan](#)
Subject: Fwd: FW: VR 456 Sales Comps
Date: Wednesday, May 12, 2021 1:43:37 PM
Attachments: [Image002.png](#)
[Older Vintage \(1990-2005\).xlsx](#)
[New Vintage \(2005+\).xlsx](#)
[Similar Vintage \(1970-1990\).xlsx](#)

CAUTION: This email originated from outside of the organization. Do not click on links or open attachments unless you recognize the sender and know the content is safe.

Mark Goodman
 Principal
 Personal Real Estate Corporation
Direct: 604 714 4790
goodmanreport.com

Goodman Commercial Inc.
 560-2608 Granville Street
 Vancouver V6H 3V3
 Office: 604 558 5511

----- Forwarded message -----

From: **J. Garth Cambrey** <gcambrey@shaw.ca>
Date: Wed, Oct 7, 2020 at 10:40 AM
Subject: FW: VR 456 Sales Comps
To: Paul Mendes <pgn@lmjlaw.ca>
Cc: Amanda Magee <amm@lmjlaw.ca>, <mark@goodmanreport.com>

Paul,

The purchaser has advised Mark Goodman that the proposed sales price of \$3.9 million will not work.

I just spoke with Mark about this and he is waiting for Butterscotch to come back with a revised sales price. We can discuss next steps after we have that information.

Garth

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From: Mark Goodman [mailto:mark@goodmanreport.com]
Sent: Wednesday, October 07, 2020 10:11 AM
To: J. Garth Cambrey
Cc: Cynthia Jagger; Manraj Dosanjh
Subject: FW: Spruce Sales Comps

Hi Garth,

Just got this note. I will report back to you when I learn more.

Regards,

Mark Goodman
Principal
Personal Real Estate Corporation
Direct: 604 714 4790
goodmanreport.com

Goodman Commercial Inc.
560-2608 Granville Street
Vancouver V6H 3V3
Office: 604 558 5511

From: Rahoul Sharan <rahoulsharan@gmail.com>
Sent: Wednesday, October 7, 2020 9:39 AM
To: 'Mark Goodman' <mark@goodmanreport.com>
Cc: 'Nevin Sangha' <nevin@carterame.com>
Subject: FW: Spruce Sales Comps

Mark,

We are having a hard time making the numbers at Spruce work at \$3.9m purchase price. Our analysis so far, with a lot of unknowns still is as follows:

Purchase price: \$3.9m

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Outside repair: \$1.6m

Inside repairs: \$0.6m

Total: \$6m all in costs

As you can see below the current estimated market value would be around \$1,000/sq ft or \$6m total. This leaves no room for any profit, cost of money or our time.

Please call me to discuss.

Thanks,

Rahoul

The attached spreadsheets show all attached sales over the last six months in the following mapped region. I broke it up into three segments by vintage: 1970-1990 (similar vintage to Spruce, showing as-is value), 1990-2005, and 2005+ (meant to show a ceiling).

It'd be tough to push \$1,100 PSF - you can get new condo product for that price. Benefits of Spruce, which may allow you to push slightly beyond these averages, are its location and a whole floor per unit. Downside is, of course, clear history of building condition issues.

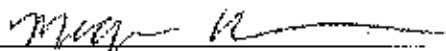
Region Mapped

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This is Exhibit "R" referred to in the affidavit of


Mark Goodman, affirmed before me on

June 10, 2021



A Commissioner for Taking Affidavits
in British Columbia

Megan J. Buchanan
Lawyer
550-900 HOWE STREET
VANCOUVER B.C. V6Z 2M4
TEL: (604) 685-3587



PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is dated for reference November 6, 2020.

Between:

BUTTERSCOTCH HOLDINGS INC.

(hereinafter called the "Purchaser")

And:

THE OWNERS, STRATA PLAN VR456

(hereinafter called the "Vendor")

WHEREAS:

- A. the Vendor is a strata corporation (the "Strata Corporation") established under the *Strata Property Act*, SBC 1998, c. 43, as amended (the "SPA") and represented by its Administrator (the "Administrator"), Garth Cambrey, pursuant to an order of the B.C. Supreme Court, dated April 17, 2020 (collectively the "Administrator Order") in the matter of *MacLennan and others v. The Owners, Strata Plan VR456*, BCSC New Westminster Registry No. S222743, who may contractually bind the Strata Corporation in accordance with authority granted to the Administrator pursuant to the Administrator Order;
- B. the Administrator has the power to cause the Strata Corporation to enter into this Agreement with the Purchaser, provided that certain decisions of the Administrator are conditional upon obtaining the approvals required under the SPA;
- C. the Administrator Order authorizes the Administrator to proceed with the transaction contemplated by this Agreement by way of the process described in Division 2 of Part 16 of the SPA, being a "Voluntary Winding Up With Liquidator". Alternatively, the Administrator may apply to the Supreme Court of British Columbia (the "BCSC") to amend the Administrator Order to allow the Administrator to proceed with the transaction contemplated by this Agreement by way of the process described in Division 3 of Part 16 of the SPA, being an "Involuntary Winding Up With Liquidator", or the transaction contemplated in Schedule D [Terms of 100% Approval of Sale] of this Agreement. The provisions of this Agreement will be interpreted so as to give effect to the sale and purchase of the Property pursuant to the winding up, whether pursuant to Division 2 or Division 3 of Part 16 of the SPA; and
- D. the Purchaser wishes to purchase all of the legal and beneficial interest in the Property (as defined in Section 1.1(e)) and, subject to compliance with the requirements of the SPA, the Vendor wishes to sell, to the extent permitted by Division 2 and/or Division 3 of Part 16 of the SPA, all of the legal and beneficial interest in the Property to the Purchaser on the terms and conditions set out herein.

NOW THEREFORE, in consideration of the premises and mutual covenants, agreements, conditions and provisos contained herein, and the payment of Ten Dollars (\$10.00) by each of the parties to the

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other, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties covenant and agree with each other as follows:

1. PURCHASE AND SALE

1.1 The parties acknowledge and agree that:

- (a) this Agreement is being entered into by the Vendor pursuant to an intended winding up of the Vendor with a liquidator pursuant to Division 2 and/or Division 3 of Part 16 of the SPA, and the provisions of this Agreement will be interpreted so as to give effect to the sale and purchase of the Property pursuant to the said winding up;
- (b) the Liquidator (as defined in Section 1.1(e)) must be appointed to effect the voluntary winding up of the Vendor and the sale and purchase of the Property as contemplated by this Agreement. In the event that the First Mutual Condition (as defined in Section 3 of ~~Error! Reference source not found.~~) is satisfied and the Liquidator is appointed pursuant to the SPA, the parties acknowledge and agree that this Agreement will be subject to review and comment by the Liquidator and its solicitors, and the parties agree to make such technical and procedural amendments to this Agreement as are reasonably requested by the Liquidator and its solicitors to facilitate the sale and purchase of the Property on the terms contemplated herein, provided that the failure to make any such amendments will not affect the validity or enforceability of this Agreement, which will remain binding on the parties hereto;
- (c) if 100% of the Owners (as defined in Section 5.1(a)) approve the sale and purchase of the Property, then subject to any contrary direction of the BCSC, at the option of the Administrator on behalf of the Vendor, the Liquidation Process (as defined in Section 5.1(b)) will be suspended, and the Purchaser may enter into individual contracts of purchase and sale for each of the Strata Lots, as provided in Schedule D [Terms of 100% Approval of Sale] of this Agreement;
- (d) the Vendor agrees to cause:
 - (i) all of the Owners' right, title and interest in and to the Property to be transferred to and vested in the Liquidator; and
 - (ii) the Liquidator to sell and transfer the Property to the Purchaser,
 and the Purchaser agrees to purchase the Property from the Liquidator, in all cases free and clear of registered and unregistered legal notations, charges, liens, interests, claims, judgments, charges, caveats, and encumbrances whatsoever save and except for the Permitted Encumbrances, for the Purchase Price and upon the terms and conditions in this Agreement;
- (e) in this Agreement:
 - (i) "Administrator's Solicitors" means the law firm of Lesperance Mendes Lawyers, provided that if the Vendor or the Liquidator appoints a different firm

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of solicitors to represent it in connection with the transactions hereunder, then "Administrator's Solicitors" will be deemed to include such solicitors as the context requires;

- (ii) "**Buildings**" means all buildings, structures and improvements on the Lands;
- (iii) "**Closing Date**" means, subject to Section 5 of Schedule D, the date that is 120 days after the date on which the Third Mutual Condition (as defined in Schedule B) is satisfied;
- (iv) "**Deposit**" means, collectively, the First Deposit, the Second Deposit and the Third Deposit;
- (v) "**First Deposit**" means the sum of \$100,000.00;
- (vi) "**First Mutual Condition Waiver Date**" means the date that is 210 days after the date of the mutual execution and delivery of this Agreement by the Purchaser and the Vendor, provided the Administrator may, by written notice to the Purchaser, extend the First Mutual Condition Waiver Date from time to time by up to a total of 180 additional days in the aggregate;
- (vii) "**Lands**" means the parcel of land which results from the cancellation of Strata Plan VR456 (the "**Strata Plan**"), and which consists of all land shown on the Strata Plan. For greater certainty, the Lands will include all of the lands and premises which are currently legally described as follows:
 - Strata Lots 1 - 6 (inclusive)
 - District Lot 526
 - Strata Plan VR. 456

together with an interest in the common property in proportion to the unit entitlement of the strata lot as shown on Form 1

(collectively, the "**Strata Lots**")

-and-

The Common Property of Strata Plan VAS456

(the "**Common Property**");
- (viii) "**Liquidator**" means the liquidator appointed in respect of, and vested with the ownership of, the Property in furtherance of the terms hereof;
- (ix) "**LOI**" means the letter of intent mutually executed by the Vendor and the Purchaser on September 22, 2020;

- (x) "Permitted Encumbrances" means the charges, reservations, and restrictions set out in Schedule A hereto;
 - (xi) "Property" means, collectively, the Lands and the Buildings;
 - (xii) "Purchaser's Solicitors" means the law firm of Madaisky & Company Business Lawyers LLP;
 - (xiii) "Second Deposit" means the sum of \$100,000.00;
 - (xiv) "Second Mutual Condition Waiver Date" means the date that is 60 days after the satisfaction of the First Mutual Condition, provided the Administrator may, by written notice to the Purchaser, extend the Second Mutual Condition Waiver date from time to time by up to a total of 90 additional days in the aggregate;
 - (xv) "Service Contracts" means agreements entered into by the Vendor concerning the furnishing of supplies or services to the Property or concerning management or operation of the Property;
 - (xvi) "Third Deposit" means the sum of \$100,000.00; and
 - (xvii) "Third Mutual Condition Waiver Date" means the date that is 30 days after the grant of the Vesting Order;
- (f) the Vendor and the Purchaser agree that, except as contemplated by Schedule D, all negotiations and other dealings regarding the potential winding up and sale of the Property (including any Strata Lots therein), will be conducted solely between the Vendor and the Purchaser, or their authorized agents and administrators. Notwithstanding any other term of this Agreement, the Purchaser acknowledges and agrees that all communications with the Vendor regarding this Agreement shall, as long as the Administrator's appointment continues, take place only through the Administrator or the Agent (as defined in Section 14.1(a)), unless otherwise directed by the Administrator in writing.

2. PURCHASE PRICE AND PAYMENT

- 2.1 The purchase price for the Property ("Purchase Price") shall be the sum of Three Million Three Hundred Thousand Dollars (\$3,300,000), exclusive of GST, subject to adjustments as provided in Section 4.3.
- 2.2 The Purchaser will pay the Purchase Price as follows:
- (a) as to the First Deposit, which amount has previously been paid by the Purchaser to the Purchaser's Solicitors and which shall continue to be held by the Purchaser's Solicitors in trust in an interest-bearing account as a stakeholder on behalf of the parties, pending completion of the sale and purchase of the Property or other termination of this Agreement;

- (b) as to the Second Deposit, by payment thereof by the Purchaser to the Purchaser's Solicitors within five business days after the date of the mutual execution and delivery of this Agreement by the Purchaser and the Vendor, to be deposited and held by the Purchaser's Solicitors in trust in an interest bearing account as a stakeholder on behalf of the parties, pending completion of the sale and purchase of the Property or other termination of this Agreement;
- (c) as to the Third Deposit, by payment thereof by the Purchaser to the Purchaser's Solicitors within five business days after the satisfaction of the First Mutual Condition, to be deposited and held by the Purchaser's Solicitors in trust in an interest bearing account as a stakeholder on behalf of the parties, pending completion of the sale and purchase of the Property or other termination of this Agreement; and
- (d) as to the balance of the Purchase Price, subject to adjustment as provided in Section 4.3, by payment of such amount by the Purchaser to the Vendor on the Closing Date in accordance with the provisions of this Agreement.

The Deposit, together with all interest accrued thereon, will be credited to the Purchase Price and will be paid to the Liquidator if the sale and purchase of the Property contemplated herein is completed in accordance with the terms hereof.

The Deposit paid, together with all interest accrued thereon, will be:

- (i) forfeited to the Vendor if the Purchaser is in default of its obligation to complete the sale and purchase of the Property hereunder as liquidated damages (the parties hereby agreeing that such amount constitutes a genuine pre-estimate of costs and damages) and as the Vendor's sole and exclusive remedy; or
- (ii) paid in full to the Purchaser, without prejudice to any other right or remedy of the Purchaser, in the event that the Purchaser elects to terminate this Agreement due to the Vendor being in default of its obligation to complete the sale and purchase of the Property hereunder. For clarity, the Deposit paid to the Purchaser under this part will include any amount of the Deposit released to the Vendor as set out in this Agreement.

The Deposit, together with all interest accrued thereon, will be returned to the Purchaser if any of the conditions precedent set out in Schedule B to this Agreement is not satisfied or waived in accordance with Schedule B. See Schedule B for additional provisions relating to the Deposit.

3 CONDITIONS PRECEDENT

- 3.1 The obligation of the parties to complete the purchase of the Property on the Closing Date is subject to and conditional upon the conditions precedent set out in Schedule B attached hereto being satisfied or waived by the appropriate party or parties within the time or times specified therein.

4. COMPLETION, POSSESSION AND ADJUSTMENTS

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4.1 Completion

The completion of the transactions contemplated by this Agreement will occur on the Closing Date or such other date as may be mutually agreed to in writing by the Vendor and the Purchaser.

4.2 Possession

- (a) The Purchaser will have vacant possession of the Property free and clear of registered and unregistered legal notations, liens, interests, claims, judgments, charges, caveats, encumbrances, and tenancies whatsoever save and except for the Permitted Encumbrances (subject to the provisions of this Agreement related to clearing title of the Owners' financial encumbrances and subject to Section 4.2(c)) immediately upon completion of the sale and purchase of the Property.
- (b) The Purchaser and the Vendor confirm and agree that the Purchase Price and the Property include any washers, dryers, refrigerators, ovens, stoves and built-in dishwashers within any of the Strata Lots as of the date hereof.
- (c) Notwithstanding Section 4.2(a), if an Owner executes and delivers to the Purchaser, on or before the Closing Date, an owner's agreement (the "**Owner's Agreement**") in the form attached hereto as Schedule E, that Owner may, following the Closing Date, continue to remain in possession of the dwelling unit consisting of the Strata Lot which was owned by such Owner before the cancellation of the Strata Plan (the "**Owner's Strata Lot**") rent free (but such Owner will be responsible for utilities), until no later than the date (the "**Initial Delayed Possession Date**") which is four (4) months following the Closing Date, and the Purchaser will have vacant possession of such Owner's Strata Lot from and after the Initial Delayed Possession Date. For greater certainty, any Owner who does not execute and deliver to the Purchaser an Owner's Agreement on or before the Closing Date will be required to deliver vacant possession of that Owner's Strata Lot on or before the Closing Date. Any continued occupancy of the Owner's Strata Lot after the Initial Delayed Possession Date will be subject to agreement as to the terms of such arrangement between the Owner and the Purchaser, in their sole discretion.
- (d) The Vendor agrees to make commercially reasonable efforts to pass a bylaw amendment that prohibits an Owner from entering into a tenancy agreement in respect of such Owner's Strata Lot that is not a month-to-month tenancy or that provides for a term ending later than the Closing Date.

4.3 Adjustments

All usual adjustments of taxes, rates, local improvement assessments and other charges and all other costs normally adjusted for on a sale of property similar to the Property, both incoming and outgoing, will be made as of 12:01 a.m. on the Closing Date. The Vendor will receive the benefit of all income and will be responsible for all expenses incurred in operating and maintaining the Property incurred for and attributable up to 11:59 p.m. on the day preceding the Closing Date and the Purchaser will receive the benefit of all income and be responsible for

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all expenses from and including the Closing Date. The Vendor will provide or cause to be provided to the Purchaser and the Purchaser's Solicitors, promptly on request, any information required by them, acting reasonably, in order to prepare the statement of adjustments (the "Statement of Adjustments"). The Vendor acknowledges and agrees that the Vendor will not be entitled to an adjustment in respect of strata fees paid by Owners to the Vendor for the month in which this transaction completes.

5 ACKNOWLEDGEMENT OF LIQUIDATION PROCESS

5.1 The Purchaser and Vendor acknowledge and agree as follows:

(a) as of the date hereof, the Lands consist of the Strata Lots and the Common Property and each Strata Lot is owned by an owner (collectively for all Strata Lots, the "Owners" and each an "Owner"). The Strata Lots and the Common Property are included in the Strata Plan. The Owners are members of the Strata Corporation. The parties intend that, subject to Section 6 of this Agreement, prior to the Closing Date, the Liquidator will be appointed by the Vendor to cancel the Strata Plan and wind up the Strata Corporation in accordance with Division 2 and/or Division 3 of Part 16 of the SPA and that, on the Closing Date:

- (i) the Strata Plan will be cancelled in accordance with the SPA, upon which cancellation the Lands will consist of a single parcel, the title to which will vest in the Liquidator; and
- (ii) the Liquidator will transfer the Property to the Purchaser.

The intention of the Vendor and the Purchaser is that the Purchaser will only be required to deal with the Liquidator and its solicitors in connection with completing the purchase and sale of the Property and that, except as provided in Schedule D [Terms of 100% Approval of Sale] of this Agreement, the Purchaser will not deal directly with any of the Owners or their solicitors. The terms of the Liquidator's appointment will provide that, once the title to the Property vests in the Liquidator, the Liquidator will assume the Vendor's rights and obligations under this Agreement, subject to the requirements of the SPA and the provisions of the Vesting Order, as defined in Section 5.1(b).

(b) subject to the Mutual Conditions being satisfied, the Vendor will take such steps and do such acts as are required under the SPA in order to appoint the Liquidator and, further to the Purchaser's Conditions being satisfied or waived, cause the Liquidator to, on or before the Closing Date, cancel the Strata Plan and transfer title to the Property to the Purchaser, and, without limiting the generality of the foregoing, the Vendor agrees to take the following steps (such steps being herein referred to as the "Liquidation Process"):

- (i) prior to the First Mutual Condition Waiver Date:
 - a. the Vendor will hold one or more annual or special general meeting (the "General Meeting") of the Strata Corporation for the purpose of passing such resolutions as may be required to give effect to the transaction contemplated herein, including, without limitation:

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- i. a resolution (the "**Winding Up Resolution**"), by 80% vote, under section 277 of the SPA, approving, among other things, the appointment of the Liquidator to wind up the Strata Corporation, the cancellation of the Strata Plan, the dissolution of the Strata Corporation, the surrender to the Liquidator of each Owner's interest in the Property and any personal property held by the Strata Corporation on behalf of each Owner and an interest schedule which complies with the requirement set out in section 278 of the SPA;
- ii. a resolution (the "**Funding Resolution**"), by $\frac{3}{4}$ vote, pursuant to section 96 and/or section 108, as applicable, of the SPA approving the expenditure of funds from the contingency reserve fund and/or by special levy for the purposes of paying the Strata Corporation's costs and expenses associated with the purchase and sale of the Property pursuant to the terms of this Agreement;
- iii. a resolution (the "**Transfer Resolution**"), by $\frac{3}{4}$ vote, pursuant to section 282 of the SPA, approving the transfer of the Property to the Purchaser pursuant to the terms and conditions of this Agreement;
- iv. a resolution (the "**Approval Resolution**"), by $\frac{3}{4}$ vote, approving and ratifying the terms and conditions of this Agreement and the execution and delivery of this Agreement by the Vendor,

(the Winding Up Resolution, the Funding Resolution, the Transfer Resolution and the Approval Resolution are collectively referred to herein as the "**Required Resolutions**"); and

- b. in the event the Vendor fails to pass the Required Resolutions at the General Meeting, the Administrator may apply to the BCSC for an order appointing the Liquidator to wind up the Strata Corporation pursuant to Division 3 of Part 16 of the SPA (the "**Division 3 Order**"). Within 30 days after the General Meeting, the Administrator will give the Purchaser written notice of its election to apply for or not apply for the Division 3 Order;
- (ii) the Vendor will:
- a. in the event that the Required Resolutions are passed by the Owners, apply to the Supreme Court, pursuant to section 278.1 of the SPA, for an order (the "**Winding Up Confirmation Order**") confirming the Winding Up Resolution; and
 - b. promptly following the grant of the Winding Up Confirmation Order or the Division 3 Order (as the case may be), cause the Liquidator to apply to the

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Supreme Court, pursuant to section 279 of the SPA, for a vesting order (the "Vesting Order"), which, inter alia:

- i. confirms the appointment of the Liquidator (as necessary);
- ii. vests in the Liquidator title to the Property for the purpose of selling the Property to the Purchaser pursuant to this Agreement and distributing the proceeds as set out in the interest schedule referred to above;
- iii. requires the Property to be vacant in accordance with Section 4.2; and
- iv. directs the Land Title Office to cancel the Strata Plan and vest the Property in the Liquidator without requiring the discharge of any encumbrances from the Strata Lots or the Common Property or the extension of any financial encumbrances charging a Strata Lot over the balance of the Lands (it being understood that the Liquidator's obligations pursuant to Section 5.1(b)(iii)b.vi. will apply),

and promptly thereafter cause the Liquidator to set the application for the Vesting Order down for hearing by the BCSC; and

- (iii) upon receipt by the Liquidator of the Vesting Order, the Vendor will:
 - a. hold an annual or special general meeting of the Strata Corporation for the purpose of passing a resolution, by $\frac{3}{4}$ vote, pursuant to section 282 of the SPA, approving the transfer of the Property to the Purchaser pursuant to the terms and conditions of this Agreement, unless the Liquidator is of the opinion that the Transfer Resolution is sufficient and it is not legally required to obtain a further $\frac{3}{4}$ vote resolution to approve the disposition of the Property and any other land and/or personal property in accordance with section 282 of the SPA following the grant of the Vesting Order, as confirmed by the Liquidator to the Purchaser in writing; and
 - b. cause the Liquidator:
 - i. to not file or otherwise deal with the Vesting Order in any manner except in accordance with Section 11 of this Agreement, provided that, if the Purchaser defaults in its obligation to complete the purchase of the Property pursuant to this Agreement, the Liquidator will no longer be bound by this obligation;
 - ii. to execute the closing documents set out in Section 9 of this Agreement, as required;
 - iii. on the Closing Date, to deposit a certified copy of the Vesting Order and the interest schedule (together, the "Vesting

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Application) with the registrar under the *Land Title Act* (British Columbia) for the purpose of cancelling the Strata Plan and vesting in the Liquidator title to, inter alia, the Property, in accordance with Section 11 of this Agreement;

- iv. on the Closing Date, to transfer the Property to the Purchaser in accordance with Section 11 of this Agreement;
 - v. to provide such notifications as are required under section 280(3) of the SPA;
 - vi. to arrange for the holders of financial encumbrances or other non-permitted encumbrances on title to the Lands to be paid out from the net sales proceeds due to the Vendor hereunder and clear title of such financial encumbrances in accordance with Section 13; and
 - vii. to distribute the net sale proceeds, after the pay out and discharge of existing financial encumbrances and any other expenses or permitted deductions, to or as directed by the Owners in accordance with the interest schedule included in the Vesting Application;
- (c) the Vendor will provide, and cause the Liquidator to provide, to the Purchaser timely, ongoing and fulsome updates and information with respect to the foregoing process, and, upon the request of the Purchaser, true copies of any notices, resolutions, approvals, applications, orders, instruments or other documents relating to the foregoing; and
- (d) the Vendor will do, and cause the Liquidator to do, all other acts and things, and execute and deliver such documents and instruments, as may be necessary in order to give effect to the foregoing.

6 100% APPROVAL OF SALE

- 6.1 If, at the meeting to approve the Required Resolutions, the Required Resolutions are approved by the Owners of 100% of the Strata Lots, then the provisions of Schedule D [Terms of 100% Approval of Sale] shall apply.

7 REPRESENTATIONS, COVENANTS AND WARRANTIES

- 7.1 The Vendor hereby makes the representations and warranties set out in Section 1 of Schedule C attached hereto and the covenants set out in Section 2 of Schedule C.
- 7.2 The Purchaser hereby makes the representations and warranties set out in Section 3 of Schedule C attached hereto.

8. RISK

- 8.1 The Property shall be at the risk of the Vendor until the Transfer (as defined in Section 9.1) is filed for registration in the applicable Land Title Office, and thereafter at the risk of the

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Purchaser. The Vendor, or the Liquidator on behalf of the Vendor, will hold all insurance policies and the proceeds thereof in trust for the parties as their respective interest may appear pending the Closing Date.

9. CLOSING DOCUMENTS

9.1 On or before the Closing Date, the Vendor will cause the Administrator's Solicitors or the Liquidator's solicitors to deliver to the Purchaser's Solicitors the following items, duly executed by the Vendor and the Liquidator, as applicable, or such other parties as set out below and in registrable form whenever appropriate, to be dealt with in accordance with Section 11 of this Agreement:

- (a) a Form A – Freehold Transfer (the "Transfer") conveying the Lands to or as directed by the Purchaser, duly executed by the Liquidator;
- (b) a Vendor's Statement of Adjustments prepared in accordance with Section 4.3 of this Agreement;
- (c) an assignment of all development rights (the "Assignment of Development Rights") in respect of the Property including, without limitation, all permits, licenses, plans, specification, applications, studies, surveys, reports, approvals, and all other documents and rights in respect of the Property;
- (d) an assignment of any subsisting warranties or guarantees in respect of the Property and any work performed in respect thereof (the "Assignment of Permits and Warranties");
- (e) an assignment (the "Assignment of Service Contracts") to the Purchaser of all Service Contracts that the Purchaser has elected to acquire;
- (f) a copy of the notices by which the Liquidator has terminated the Service Contracts excepting those only, if any, which the Purchaser has elected to assume;
- (g) an assignment of all permitted tenancies that have not been terminated as of the Closing Date (the "Tenancies Assignment");
- (h) a certificate, dated as of the Closing Date, that certifies that the Vendor has complied with all of its obligations under this Agreement in all material respects and that each of the warranties and representations of the Vendor set out herein is true and accurate in all material respects on the Closing Date;
- (i) one or more Certificates as to GST Exempt Use Residential Property: Vendor is Not Builder with respect to the Strata Lots;
- (j) statutory declarations that are usual and customary for real estate transactions of the nature set out in this Agreement and may be required by the Liquidator or the Purchaser, each acting reasonably, or which are reasonably necessary to complete the purchase and sale of the Property, including statutory declarations as to residency, the provincial Speculation and Vacancy Tax, and the municipal Empty Homes Tax; and

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(k) such further deeds, acts, things, certificates and assurances as may be requisite in the reasonable opinion of the Purchaser's Solicitors, the Administrator's Solicitors or the Liquidator's solicitors for more perfectly and absolutely assigning, transferring, conveying and assuring to and vesting in the Purchaser, title to the Property free and clear of registered and unregistered legal notations, charges, liens, interests, claims, judgments, charges, caveats and encumbrances whatsoever save and except for the Permitted Encumbrances as contemplated herein,

together with, if required by the Land Title Office in connection with registration of the Vesting Order, a reference plan (the "Plan") of the single parcel comprising the Property which reference plan will be prepared by a British Columbia land surveyor at the request and expense of the Vendor.

9.2 On or before the Closing Date, the Purchaser will cause the Purchaser's Solicitors to deliver to the Administrator's Solicitors or the Liquidator's solicitors the following items, duly executed by the Purchaser and in registrable form whenever appropriate:

- (a) any document referred to in Section 9.1 which requires execution by the Purchaser;
- (b) a certificate of an officer of the Purchaser on the Closing Date that each of the warranties and representations of the Purchaser set out herein is true and accurate on the Closing Date except as disclosed therein; and
- (c) such further deeds, acts, things, certificates and assurances as may be requisite in the reasonable opinion of the Purchaser's Solicitors, the Administrator's Solicitors or the Liquidator's solicitors for more perfectly and absolutely effecting the matters contemplated hereunder.

9.3 All documents referred to in Section 9.1 and 9.2 will be prepared by the Purchaser's Solicitors to the extent that preparation is required, in a form satisfactory to the Purchaser and the Vendor and their respective solicitors, each acting reasonably, where applicable, in a form suitable for registration in the appropriate offices of public record. The Vendor and the Purchaser will each deliver to or cause to be delivered to the other all such further documents and assurances as may be reasonably required to give full effect to the intent and meaning hereof.

9.4 Forthwith upon completion of the sale and purchase of the Property, the Vendor will deliver, or cause to be delivered, to the Purchaser all keys and like devices for the Building which are in the possession or control of the Vendor including, without limitation, master keys to all space located within the Building. For clarity, this Section 9.4 does not apply to the keys and like devices held by an Owner who remains in possession of the Owner's Strata Lot after the Closing Date in accordance with Section 4.2 of this Agreement for the duration of such possession.

10. AS IS WHERE IS AND PURCHASER'S DUE DILIGENCE

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- 10.1 The Vendor will permit the Purchaser and the Purchaser's employees, engineers, agents and advisors to enter onto the Lands and the Buildings and carry out such inspections, tests, studies, surveys and investigations of the Property as the Purchaser may reasonably require. Any such inspections tests, studies, surveys and investigations will be carried out during normal business hours, will not unduly interfere with any owners, tenants or occupants of the Lands or the Buildings and will not injure the Lands or Buildings. The Purchaser agrees to provide no less than 48 hours' notice of any intention to carry out inspections, tests, studies, surveys and investigations of the Property unless any such inspections, tests, studies, surveys and investigations require access to any of the Strata Lots, in which case no less than 7 business days' notice will be provided by the Purchaser to permit the Vendor to comply with its notice requirements to the Owners pursuant to the Vendor's bylaws (which requirements the Vendor will comply with immediately upon receipt of such notice from the Purchaser). The Purchaser will be responsible for and will indemnify the Vendor and/or any owners, tenants or occupants of the Building for all damages, costs, expenses resulting from property damage or injury caused by the Purchaser's actions. This indemnity will survive completion of the purchase and sale of the Property hereunder or any earlier termination hereof.
- 10.2 The Vendor will execute, or cause to be executed, and return to the Purchaser or the Purchaser's Solicitors as soon as is reasonably possible all consents or letters of authority which it may be necessary for the Vendor to execute in order for the Purchaser to conduct such due diligence searches or cause inspections or tests to be made with respect to the purchase of the Property as the Purchaser determines to be necessary, acting reasonably.
- 10.3 The Vendor hereby authorizes the Purchaser to make inquiries to the City of Vancouver or any other relevant authority in respect of the Property and the potential development thereof, and to enter into discussions and negotiations therewith with and to make applications thereto, in the name of the Vendor if required, for any rezoning of the Property or any permits required by the Purchaser in connection with the Purchaser's proposed development or redevelopment of the Property. The Vendor will fully co-operate with the Purchaser, including executing any applications, consents and other instruments and documents reasonably required by the Purchaser in connection with the foregoing. The Purchaser will not be entitled to commit the Vendor to the payment of any money which is not funded by the Purchaser or the payment of which has not been guaranteed by the Purchaser by cash deposit or letter of credit, or the dedication or transfer of any part of or interest in the Property in connection with any such applications of related approval process.
- 10.4 The Purchaser acknowledges and agrees that other than the representations and warranties made by the Vendor in this Agreement (including without limitation all Schedules hereto), the Vendor makes no representations or warranties respecting the Property or the condition, including environmental condition, thereof, and that the Purchaser is purchasing the same on an "as is, where is" basis and shall satisfy itself as to all aspects thereof. The Purchaser hereby waives, to the extent permitted by law, any requirement for the Vendor to obtain or provide to the Purchaser a "site profile" for the Lands under the *Environmental Management Act* (British Columbia) or any regulation in respect thereto.

11. CLOSING PROCEDURE

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- 11.1 On or before the Closing Date, the Purchaser will pay to the Purchaser's Solicitors in trust the amount provided for in Section 2.2(d) of this Agreement, less the amount to be advanced to the Purchaser under any mortgage financing arranged by the Purchaser.
- 11.2 Forthwith following receipt by the Purchaser's Solicitors of the payment pursuant to Section 11.1 and the documents and items referred to in Section 9.1 and receipt by the Administrator's Solicitors or the Liquidator's solicitors of the documents and items referred to in Section 9.2, on the Closing Date:
- (a) the Vendor will cause the Liquidator to file the Vesting Application and the Plan in the Land Title Office (on an all or nothing basis together with the Transfer); and
 - (b) concurrently with, but subsequent in sequence to, the filing of the Vesting Application and the Plan, the Purchaser will cause the Purchaser's Solicitors to file the Transfer in the Land Title Office concurrently with any security documents applicable to any mortgage financing arranged by the Purchaser in connection with the purchase of the Property.
- 11.3 Forthwith upon the following being completed:
- (a) the filings referred to in Section 11.2; and
 - (b) the Purchaser's Solicitors being satisfied as to title to the Lands after conducting a title search of the Lands disclosing only the following:
 - i. the existing title number to the Lands;
 - ii. the Permitted Encumbrances;
 - iii. pending number(s) assigned to the Vesting Application, the Plan and the Transfer;
 - iv. pending numbers assigned to any charges granted by the Purchaser; and
 - v. any charges with respect to which the Administrator's Solicitors or the Liquidator's solicitors have extended undertakings regarding the discharge and release of the same as contemplated in Section 13 of this Agreement,
 the Purchaser will cause the Purchaser's Solicitors to:
 - vi. forthwith upon receipt by the Purchaser's Solicitors of the proceeds of any mortgage financing arranged by the Purchaser in connection with the sale and purchase of the Property, to deliver to the Administrator's Solicitors or the Liquidator's solicitors a certified trust cheque for the balance due to the Liquidator pursuant to Section 2.2(d) of this Agreement;
 - vii. release the Deposit to the Administrator's Solicitors or the Liquidator's solicitors; and

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viii. release to the Purchaser all accrued interest on the Deposit,

and thereupon the Purchaser's Solicitors will be entitled to release the documents and items referred to in Section 9.1 of this Agreement to the Purchaser and the Administrator's Solicitors and the Liquidator's solicitors will be entitled to release the documents and items referred to in Subsection 9.2 of this Agreement to the Vendor or the Liquidator.

- 11.4 If there are any defects connected with the filings referred to above, the parties agree to use best efforts to correct the same to ensure full registration of the Vesting Application, the Plan and the Transfer as soon as possible after the Closing Date.
- 11.5 The Vendor acknowledges that (i) the Purchaser may obtain mortgage financing from one or more lenders (each, a "Purchaser's Lender") to complete the purchase of the Property from the Vendor under this Agreement and (ii) the Purchaser's Lender may, in its sole discretion, be unwilling to permit the release of the loan proceeds from such mortgage financing (the "Loan Proceeds") to the Vendor before (A) the Vesting Application, the Plan and the Transfer is fully registered in the Land Title Office, (B) the Strata Plan being cancelled and (C) the title to a single parcel of land consisting of the Lands being raised in the Land Title Office with the Purchaser (or the entity to which the Purchaser directed title to the Lands to be conveyed) being disclosed as the registered owner of the Lands on a title search of the Lands (the foregoing requirements are collectively referred to herein as the "Full Registration Requirements"). Notwithstanding the procedure set out in Section 11.3, in the event that any Purchaser's Lender requires the Full Registration Requirements to be completed prior to permitting the Loan Proceeds to be advanced to the Vendor, then the Purchaser will not be obligated to pay the net sale proceeds until the Full Registration Requirements have been completed, and the procedure set out in Section 11.3 will be interpreted and construed to give effect to the foregoing, and, for greater certainty, Section 11.3(a) will be deemed to be amended to read: "(a) the filings referred to in Section 11.2 and the Full Registration Requirements, BUT ONLY IF any mortgage proceeds required to fund the transaction, are advanced to the Purchaser's Solicitors or the Purchaser's Lender's solicitors, in trust, concurrently with the Vesting Application and the Plan being filed in the Land Title Office, to be held in trust by the Purchaser's Solicitors or the Purchaser's Lender's solicitors on undertakings acceptable to the Purchaser's Solicitors, the Purchaser's Lender's solicitors and the Administrator's Solicitors, acting reasonably, but which undertakings shall in any event require that such funds will be paid to the Purchaser's Solicitors or directly to the Administrator's solicitors upon the events in Section 11.3(a) and 11.3(b) occurring".
- 11.6 It is a condition of this Agreement that all of the above requirements are concurrent requirements and it is specifically agreed that nothing will be completed on the Closing Date until everything required to be paid, executed and delivered on the Closing Date has been so paid, executed and delivered and until the Purchaser's Solicitors have satisfied themselves as to the Purchaser's title pursuant to this Section 11.

12. TAXES

- 12.1 With respect to GST' exigible in respect of the purchase and sale of the Property;

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- (a) the Vendor declares that the sale of the Property is exempt from GST under Section 2, Part 1 of Schedule V to the *Excise Tax Act* (Canada) (the "ETA");
- (b) the Vendor represents and warrants to the Purchaser that:
- i. the Property being sold hereunder is a "multiple unit residential complex" within the meaning of the term as defined for the purposes of the ETA;
 - ii. the Vendor is not a "builder", which the meaning of the term as defined for the purposes of the ETA, of the Property or any addition to the Property;
 - iii. neither the Vendor nor any Owner comprising the Vendor has undertaken a "substantial renovation" of the Property, within the meaning of that term as defined for the purpose of the ETA; and
 - iv. neither the Vendor nor any Owner comprising the Vendor has claimed nor will it claim any input tax credits for GST paid or payable in respect of the Vendor's or any Owner's last acquisition of the Property or any part thereof or in respect of any "improvement" to the Property, within the meaning of the term as defined for the purposes of the ETA.

12.2 The Vendor hereby represents and warrants that the Liquidator will not, on the Closing Date, be a non-resident of Canada for the purposes of the *Income Tax Act* (Canada) (the "ITA"). The Vendor acknowledges and agrees that, if the Vendor or any Owner is a non-resident of Canada for the purposes of the ITA, the parties are required to comply with the provisions of section 116 of the ITA in regard to the sale of the Property. If the Vendor fails to deliver to the Purchaser on or before the Closing Date, a certificate or certificates issued by the Canada Revenue Agency or any successor thereto ("CRA") pursuant to subsection 116(4) of the ITA in respect of the sale of the Property ("Certificate(s)"), and the Purchaser determines, based on advice from its tax consultants, that it is required to withhold a portion of the adjusted Purchase Price in accordance with section 116 of the ITA, then the Purchaser's Solicitors are irrevocably authorized and directed to hold back from the adjusted Purchase Price payable by the Purchaser hereunder such amount (the "Withholding Amount") as may be required to comply with the Purchaser's obligations under section 116 of the ITA and to pay to CRA the Withholding Amount or such lesser amount as CRA requires in order to issue the Certificate(s) to the Vendor, to pay the balance of the Withholding Amount, if any, to or as directed by the Vendor and to provide to the Purchaser a copy of the Certificate(s). Notwithstanding the foregoing, if the Certificate(s) are not available by the later of the date that the Withholding Amount is required to be submitted to CRA pursuant to section 116 of the ITA or such later date as may be permitted by CRA, the Purchaser's Solicitors are hereby irrevocably authorized and directed to pay the entire Withholding Amount to CRA in accordance with section 116 of the ITA.

13. CLEARING VENDOR'S TITLE

13.1 The Purchaser acknowledges and agrees that, if the title to the Property is subject to any financial encumbrance on the Closing Date, the Vendor and the Liquidator will not be required to clear title of such financial encumbrance prior to the receipt of the net sales proceeds but the

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Vendor and the Liquidator will be obligated to do so within a reasonable time following receipt of the net sales proceeds and the Purchaser will cause its solicitors to pay the Deposit and the balance of the adjusted Purchase Price due under Section 11.3 to the Administrator's Solicitors or the Liquidator's solicitors in trust on their undertaking to the Purchaser's Solicitors and, if required, the Purchaser's lender's solicitors (which undertaking will be in a form satisfactory to the Purchaser's Solicitors and the Purchaser's lender's solicitors) to pay out and discharge any such financial encumbrance from title to the Property using the net sales proceeds and obtain and register a discharge thereof within a reasonable time.

- 13.2 If any of the Property are encumbered by registered mortgages or other financial encumbrances in favour of non-financial institutions, the Administrator's Solicitors or Liquidator's solicitors shall obtain a registrable discharge of such mortgage or other charge to be held in trust by the Administrator's Solicitors or Liquidator's solicitors pending closing and on the undertaking of the Administrator's Solicitors or Liquidator's solicitors to submit the same for registration as soon as reasonably possible after closing or obtain a vesting order to ensure that all financial encumbrances will be discharged from title to the Property.

14. DISCLOSURE

- 14.1 The parties acknowledge and agree that:

- (a) in accordance with the Code of Ethics of the Canadian Real Estate Association, Goodman Commercial Inc. (the "Agent") and Mark Goodman Personal Real Estate Corporation & Cynthia Jagger Personal Real Estate Corporation (the "Designated Agents") have disclosed that they are representing the Vendor in this transaction;
- (b) the Agent and the Designated Agents have no agency relationship with the Purchaser and the Purchaser confirms that it is an Unrepresented Party in accordance with the Real Estate Services Act of British Columbia;
- (c) the Agent, in order to accommodate the transaction described in this Agreement, was and is entitled to pass any relevant information it receives from either party or from any other source to either of the parties as the Agent sees fit, without being in conflict of its duties to either party; and
- (d) the Vendor shall pay the commission and compensation plus any applicable taxes due to the Agent pursuant to the transaction described in this Agreement.

15. FEES AND EXPENSES

- 15.1 Except as provided in Section 15.2, the Vendor will be responsible for all costs and expenses relating to the approval by the Owners of the transfer of the property to the Purchaser (including, without limitation, court costs and legal fees if applicable), the appointment of the Liquidator, the cancellation of the Strata Plan, the winding up of the Strata Corporation and the clearing of title to the Property of any of the Owners' financial encumbrances and any other encumbrances that are not Permitted Encumbrances, and all documents relating to or required in connection with the foregoing (including the Winding-Up Confirmation Order and the

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Division 3 Order (as applicable), any appeals thereof, and the Vesting Application) will be prepared, obtained and registered by and at the expense of the Vendor.

- 15.2 The Purchaser will be responsible for all of its costs and expenses relating to the purchase and sale of the Property. Except as set out above, all documents necessary to complete the purchase of the Property will be prepared and registered by and at the expense of the Purchaser. In particular, the Purchaser will pay the expense of registering the Transfer, including any property transfer tax payable in connection therewith.
- 15.3 Notwithstanding any other term of this Agreement, within 5 business days after the satisfaction of the Third Mutual Condition, the Purchaser and the Vendor will provide joint written instructions to the Purchaser's Solicitors to release up to a maximum of \$50,000.00 of the Deposit (the "Released Deposit Funds") to the Vendor to pay towards the Vendor's completion costs, including legal and Liquidator's fees.

16. BINDING AGREEMENT

Upon acceptance by both the Purchaser and the Vendor, this offer shall constitute a binding agreement for the purchase and sale of the Property on the terms and conditions contained herein. This Agreement will ensure to the benefit of and be binding upon the Vendor and the Purchaser and their representative administrators, successors and permitted assigns.

17. CONFIDENTIALITY

Except as contemplated by Sections 2(b) and 2(c) of Schedule C, or as otherwise may be necessary to disclose to the BCSC to satisfy the Mutual Conditions, prior to the Closing Date, neither party will, without the prior written consent of the other party:

- (a) make any public announcement or statement with respect to; or
- (b) otherwise disclose to any person other than the party's potential lenders and/or legal/tax/accounting advisors,

the financial terms contained in this Agreement unless required or compelled to do so by law. For clarity, this provision does not prevent the Vendor from disclosing to the Owners the financial terms of this Agreement, or an Owner from disclosing to their lenders (existing or potential) and/or legal/tax/accounting advisors in which case an Owner must advise such lender or advisor of the confidential nature of the financial terms.

18. ASSIGNMENT

The parties hereto expressly agree that the rights and interests of the Purchaser under this Agreement shall not be assigned without the Vendor's consent, which may be withheld in the discretion of the Vendor. Notwithstanding the foregoing, the Purchaser may, without the consent of the Vendor, assign this Agreement to an affiliate (as defined in the *Business Corporations Act* (British Columbia)) of the Purchaser or a limited partnership of which the Purchaser or an affiliate of the Purchaser is a limited partner, a general partner or a shareholder of the general partner, at any time, in its sole and absolute discretion, provided that notice of

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such assignment is provided to the Vendor within a reasonable period of time prior to application to approve the Vesting Order so that such assignment may be incorporated therein. Upon any assignment of the rights and interest of the Purchaser under this Agreement (i) the Purchaser will not be released from and will remain liable for all terms, covenants, conditions, representations, warranties, provisions and obligations (including releases and indemnities) of the Purchaser hereunder and (ii) any assignee of the Purchaser's interest hereunder will have the benefit of all covenants, representations, warranties and obligations (including releases and indemnities) of the Vendor hereunder, in each case without any further act or agreement being required on the part of the parties. The Purchaser may direct the Vendor to convey title to the Lands to an affiliate of the Purchaser, which will hold title to the Lands as nominee, agent and bare trustee for and on behalf of the Purchaser. In the event that the Purchaser assigns this Agreement as permitted under this Section 18, the Purchaser will forthwith provide notice in writing to the Administrator and, if appointed, the Liquidator. The Vendor is entitled to any profit resulting from an assignment of this Agreement by the Purchaser or any subsequent assignee in respect of which the Vendor's consent is required.

19. NO WAIVER

No failure or delay on the part of either party in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. Except as may be limited herein, either party may, in its sole discretion, exercise any and all rights, powers, remedies and recourses available to it under this Agreement or any other remedy available to it and such rights, powers, remedies and recourses may be exercised concurrently or individually without the necessity of making any election.

20. TENDER

Any tender of documents or money pursuant to this Agreement may be made upon the party being tendered or upon such party's solicitor or notary public, and money will be tendered only by solicitor's certified trust cheque except that any payment on account of the Deposit may be tendered by uncertified cheque.

21. NOTICE

Any notice, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement from either party to the other will be in writing and delivered, sent by electronic means or sent by postage prepaid mail and addressed to the parties as follows:

(a) to the Purchaser:

Butterscotch Holdings Inc.
 c/o Madaisky & Company Business Lawyers LLP
 305 - 8047 199 Street,
 Langley, BC V2Y 0E2
 Attention: Pat Madaisky
 Email: Pat@pcmlawco.com

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(b) to the Vendor:

The Owners, Strata Plan VR456
 c/o Garth Cambrey, Administrator
 2300 – 2850 Shaughnessy Street,
 Port Coquitlam, BC V3C 6K5
 Email: gcambrey@shaw.ca

with a copy to:

Lesperance Mendes Lawyers
 550 – 900 Howe Street,
 Vancouver, BC V6Z 2M4
 Attention: Paul G. Mendes
 Email: PGM@lmLaw.ca

and a copy to:

Goodman Commercial Inc.
 #560 – 2608 Granville Street,
 Vancouver, BC V6H 3V3
 Email: mark@goodmanreport.com

or at such other address as either party may specify in writing to the other. The time of giving and receiving any such notice will be deemed to be on the day of delivery or transmittal if delivered or sent by facsimile or other electronic means, or on the third business day after the day of mailing thereof if sent by mail. In the event of any disruption of mail services, all notices will be delivered or sent by facsimile or other electronic means rather than mailed.

22. EXECUTION IN COUNTERPART AND BY ELECTRONIC MEANS

This Agreement may be executed in any number of counterparts, each of which when delivered shall be deemed to be an original and all of which together shall constitute one and the same document. This Agreement can be executed by the parties and transmitted by fax, email or other electronic means, and if so executed and transmitted, this Agreement will be for all purposes as effective as if the parties had delivered an executed original Agreement.

23. GENERAL.

- 23.1 This Agreement (including the Schedules attached hereto) constitutes the entire agreement between the parties in respect of the Property, and it is understood and agreed that there are no representations, warranties, guarantees or promises affecting the Property or this Agreement except for those contained herein.
- 23.2 The additional clauses (if any) set out in the Schedules attached hereto and all counterparts so executed (including those executed and delivered by fax, email or other electronic means), taken together, will be deemed to constitute one agreement.

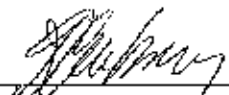
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- 23.3 The division and headings of this Agreement are for reference only and are not to affect construction or interpretation.
- 23.4 This Agreement may be altered or amended only by an agreement in writing signed by the Purchaser and the Vendor (or, in the case of the Vendor, by the Liquidator on behalf of the Vendor).
- 23.5 Wherever the singular or the masculine is used herein, the same shall be construed as meaning the plural or feminine or the body politic or corporate where the context or the parties hereto so require, and where a party is more than one person, all covenants shall be deemed to be joint and several.
- 23.6 Each of the parties hereto will at all times and from time to time and upon reasonable request do, execute and deliver all further assurances, acts and documents for the purpose of evidencing and giving full force and effect to the covenants, agreements and provisions in this Agreement.
- 23.7 If the date for the performance of any act or thing falls on a day which is not a business day, then the date for the performance of such act or thing will be extended to the next business day. For the purposes of this Agreement, a "business day" means a day other than a Saturday, Sunday, statutory holiday in British Columbia, Easter Monday or Boxing Day.
- 23.8 Time shall be of the essence of this Agreement.
- 23.9 This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.
- 23.10 All dollar amounts referred to in this Agreement are in Canadian dollars.

IN WITNESS WHEREOF the parties have executed this Agreement.

Executed by the Vendor as of the 6th day of November, 2020.

THE OWNERS, STRATA PLAN VR456

Per: 
Garth Cambrey, Administrator

Executed by the Purchaser as of the _____ day of November, 2020.

BUTTERSCOTCH HOLDINGS INC.

Per: _____
Authorized Signatory
Name: _____
Title: _____

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- 23.3 The division and headings of this Agreement are for reference only and are not to affect construction or interpretation.
- 23.4 This Agreement may be altered or amended only by an agreement in writing signed by the Purchaser and the Vendor (or, in the case of the Vendor, by the Liquidator on behalf of the Vendor).
- 23.5 Wherever the singular or the masculine is used herein, the same shall be construed as meaning the plural or feminine or the body politic or corporate where the context or the parties hereto so require, and where a party is more than one person, all covenants shall be deemed to be joint and several.
- 23.6 Each of the parties hereto will at all times and from time to time and upon reasonable request do, execute and deliver all further assurances, acts and documents for the purpose of evidencing and giving full force and effect to the covenants, agreements and provisions in this Agreement.
- 23.7 If the date for the performance of any act or thing falls on a day which is not a business day, then the date for the performance of such act or thing will be extended to the next business day. For the purposes of this Agreement, a "business day" means a day other than a Saturday, Sunday, statutory holiday in British Columbia, Easter Monday or Boxing Day.
- 23.8 Time shall be of the essence of this Agreement.
- 23.9 This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.
- 23.10 All dollar amounts referred to in this Agreement are in Canadian dollars.

IN WITNESS WHEREOF the parties have executed this Agreement.


Executed by the Vendor as of the _____ day of November, 2020.

THE OWNERS, STRATA PLAN VR456

Per: _____
Garth Cambrey, Administrator

Executed by the Purchaser as of the 6th day of November, 2020.

BUTTERSCOTCH HOLDINGS INC.

Per: 
Authorized Signatory
Name: PARUL SHARMA
Title: DIRECTOR

SCHEDULE A
PERMITTED ENCUMBRANCES

The Property is subject to the following Permitted Encumbrances:

Legal Notations

None.

Charges, Liens and Interests

1. The subsisting exceptions or reservations or other rights contained or reserved to the Crown in the original grant from the Crown.

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SCHEDULE B

CONDITIONS PRECEDENT

1. VENDOR'S CONDITION

The parties acknowledge and agree that the "First Vendor's Condition" (as such term is defined in the LOI) was confirmed satisfied by the Vendor on October 19, 2020.

2. PURCHASER'S CONDITIONS

The parties acknowledge and agree that the "First Purchaser's Condition" (as such term is defined in the LOI) was confirmed waived by the Purchaser on October 9, 2020.

3. MUTUAL CONDITIONS

The obligations of the Vendor and the Purchaser to complete the sale and purchase of the Property on the Closing Date is subject to and conditional upon the following conditions precedent (each, a "Mutual Condition" and collectively, the "Mutual Conditions") being satisfied within the applicable times specified below:

- (a) not later than 5:00 p.m. (Vancouver time) on the First Mutual Condition Waiver Date:
- (i) the Owners passing the Required Resolutions at the General Meeting, the Vendor obtaining the Winding Up Confirmation Order and:
 - A. the appeal period to the Court of Appeal of British Columbia (the "BCCA") for the Winding Up Confirmation Order having expired without any appeal being filed; or
 - B. an appeal to the BCCA of the Winding Up Confirmation Order having been filed, the appeal having been dismissed or withdrawn; or
 - (ii) the Administrator obtaining the Division 3 Order and:
 - A. the appeal period to the BCCA for the Division 3 Order having expired without any appeal being filed; or
 - B. an appeal to the BCCA of the Division 3 Order having been filed, the appeal having been dismissed or withdrawn,
- (the "First Mutual Condition");
- (b) no later than 5:00 p.m. (Vancouver time) on the Second Mutual Condition Waiver Date, the Liquidator obtaining the Vesting Order and:
- (i) the appeal period to the BCCA for the Vesting Order having expired without any appeal being filed; or
 - (ii) an appeal to the BCCA of the Vesting Order having been filed, the appeal having been dismissed or withdrawn,

(collectively the "Second Mutual Condition").

- (c) unless the Liquidator is of the opinion that it is not legally required to obtain a further $\frac{3}{4}$ vote resolution to approve the disposition of the Property and any other land and/or personal property under section 282 of the SPA (a "Section 282 Resolution") following the grant of the Vesting Order, as confirmed by the Liquidator to the Vendor and Purchaser in writing, the approval of a Section 282 Resolution by the Owners (collectively the "Third Mutual Condition") by not later than 5:00 p.m. on Third Mutual Condition Date.

The Mutual Conditions are for the sole benefit of the Vendor and the Purchaser and, as such, must be satisfied at any time up to and including the time specified above, and may not be unilaterally waived or declared satisfied by the Vendor or the Purchaser. If any Mutual Condition is not satisfied by the applicable time specified above, this Agreement will be null and void. In such event, the Purchaser's Solicitors are hereby irrevocably directed by the Vendor and the Purchaser to forthwith repay the Deposit and accrued interest, in full, to the Purchaser without deduction, and thereafter neither party will have any further obligations to the other hereunder, except for the obligation of the Purchaser to maintain the confidentiality of all disclosed documents and instruments delivered to it and to return all copies of such documents and instruments.

The Vendor will act diligently and make all reasonable efforts to cause the Mutual Conditions to be satisfied (including, without limitation, providing any required notices to the Owners and holding all required meetings of the Owners under the SPA). Notwithstanding anything else contained herein:

- (d) the First Mutual Condition will be deemed to be satisfied for all purposes hereunder if:
- (i) the Required Resolutions are each approved at the General Meeting by the required voting thresholds set out in Section 5.1(b)(i), the Vendor obtains the Winding Up Confirmation Order and:
 - A. the appeal period to the BCCA for the Winding-Up Confirmation Order has expired without any appeal being filed; or
 - B. an appeal to the BCCA of the Winding Up Confirmation Order having been filed, the appeal has been dismissed or withdrawn; or
 - (ii) the Administrator obtains the Division 3 Order and:
 - A. the appeal period to the BCCA for the Division 3 Order has expired without any appeal being filed; or
 - B. an appeal to the BCCA of the Division 3 Order having been filed, the appeal has been dismissed or withdrawn;
- (e) the Second Mutual Condition will be deemed to be satisfied for all purposes hereunder if the Vesting Order is granted by the BCSC and:
- (i) the appeal period to the BCCA for the Vesting Order has expired without any appeal being filed; or
 - (ii) an appeal to the BCCA of the Vesting Order having been filed, the appeal has been dismissed or withdrawn; and

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- (f) the Third Mutual Condition will be deemed to be satisfied for all purposes hereunder if:
- (i) the Owners approve a Section 282 Resolution following the grant of the Vesting Order; or
 - (ii) the Liquidator confirms to the Purchaser in writing that a further Section 282 Resolution following the grant of the Vesting Order is not required.

In consideration of Canadian \$10.00 paid by the Vendor to the Purchaser, and by the Purchaser to the Vendor, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Vendor and Purchaser, the Purchaser and the Vendor agree not to revoke their acceptance of this Agreement, except as may be permitted under any other provision included in this Schedule B, while such offer is subject to the Mutual Conditions.

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SCHEDULE C

COVENANTS, REPRESENTATIONS AND WARRANTIES

1. VENDOR'S REPRESENTATIONS AND WARRANTIES

The Vendor hereby represents and warrants to the Purchaser as representations and warranties that are true at the date hereof and will be true at the time of completion and that are to continue and to survive the purchase of the Property by the Purchaser regardless of any independent investigations that the Purchaser may cause to be made and regardless of the satisfaction or waiver of any conditions precedent, that, subject to the limitations, if any, expressed herein:

- (a) subject to compliance by the Vendor with Division 2 and/or Division 3 of Part 16 of the SPA, the Administrator has the authority and capacity to enter into this Agreement on behalf of the Vendor and to carry out and complete the transactions contemplated by this Agreement;
- (b) on the Closing Date:
 - i. the transactions contemplated by this Agreement have been or will be duly and validly authorized by all requisite corporate proceedings of the Vendor, the Liquidator and the Owners; and
 - ii. this Agreement constitutes, and all other documents and agreements to be delivered by the Vendor under this Agreement will constitute, legal, valid and binding obligations of the Vendor enforceable against the Vendor in accordance with their terms, subject only to equitable remedies being available only at the discretion of the courts;
- (c) subject to the terms of the Vesting Order and Section 15 of this Agreement, upon the filing of the Vesting Application in the Land Title Office, the Liquidator will be the sole legal and beneficial owner of the Property, subject to the provisions of the Vesting Application, free and clear of registered and unregistered legal notations, charges, liens, interests, claims, judgments, charges, caveats and encumbrances whatsoever save and except the Permitted Encumbrances (subject to the provisions of this Agreement related to clearing title of the Owners' financial encumbrances), and on the Closing Date the Liquidator will have, the full right and authority to sell the Property and to transfer and assign valid title to the Property to the Purchaser;
- (d) to the best of the Vendor's knowledge, there is no action or proceeding by way of expropriation, condemnation, judgment, execution or otherwise, pending or threatened, by which title to the Property or any part thereof may be affected;
- (e) to the best of the Vendor's knowledge, there is no claim, litigation or proceeding, pending or threatened, by or before any court, government agency, commission, department, board, officer or other authority having jurisdiction that pertains in any manner to the Property or the right of the Purchaser to own the Property or to receive benefits therefrom;
- (f) all documents and instruments required to be delivered or made available to the Purchaser hereunder will be complete and accurate in all material respects as of the date of such delivery or communication to the Purchaser; and

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- (g) each of the Service Contracts is in good standing and assignable to the Purchaser, there being no default thereunder by the Vendor and the other contracting parties thereto, and contains the entire agreement between the parties identified therein.

The Vendor acknowledges that the Purchaser is relying on the foregoing representations, warranties, covenants and agreements in connection with the purchase by the Purchaser of the Property.

2. VENDOR'S COVENANTS

The Vendor covenants and agrees with the Purchaser as follows:

- (a) from and after the date of this Agreement, the Vendor will cause the Property to be kept, repaired, and maintained to substantially the same condition and state of repair as of the date of this Agreement and to be insured at the Vendor's cost and expense so that on the Closing Date, the Purchaser will acquire the Property in substantially the same condition and state of repair as of the date of this Agreement, subject to reasonable wear and tear and save as otherwise provided for herein;
- (b) the Vendor hereby authorizes the Purchaser, at the Purchaser's own cost and expense, to enter into discussions and negotiations with the City of Vancouver (the "City") or any other governmental authority and to make applications, in the name of the Vendor if required, for rezoning of the Lands or any permits or approvals required by the Purchaser in connection with any proposed development of the Lands. The Vendor will co-operate with the Purchaser in connection with any reasonable request made by the Purchaser in respect of any proposed rezoning or development of the Lands, including executing, upon request by the Purchaser, any applications, licenses, permits, consents, plans or other documentation required by the City or any other governmental authority in connection therewith, provided that the Purchaser will not, without the Vendor's consent, make any commitments which will result in any liability, or be otherwise prejudicial, to the Vendor if the transaction contemplated herein does not complete. Vendor agrees not to oppose or otherwise seek to hinder or delay, or permit any opposition, hindrance or delay concerning any such discussions, negotiations or applications, or any approvals arising therefrom;
- (c) the Vendor will permit the Purchaser, subject to the Purchaser complying with all applicable bylaws, to erect signs on the Lands (including, without limitation, signs relating to any rezoning or permit applications or any development proposed to be constructed thereon) before the Closing Date;
- (d) the Vendor will deliver or caused to be delivered, to the Purchaser, within ten (10) business days of the date of execution of this Agreement, a list of all of the Service Contracts together with copies of all written Service Contracts and relevant particulars of all unwritten Service Contracts.
- (e) the Vendor will use commercially reasonable efforts to determine and advise the Purchaser which Strata Lots are subject to tenancy agreements, and to obtain copies of the applicable tenancy agreements and provide the same to the Purchaser, in each case before the Purchaser's Condition Waiver Date.

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- (f) the Vendor will, from the date of execution of this Agreement until the Closing Date, conduct or cause to be conducted all business in respect of the Property following prudent business practices given the nature of the Property, and without limiting the generality of the foregoing:
- i. subject to Section 2(f)(ii) of this Schedule C, provide the Purchaser with particulars of any Service Contracts entered into or modified after delivery of the materials referred to in Section 2(d) of this Schedule C; and
 - ii. not enter into, or permit to be entered into, any contract or agreement or any transaction whatsoever in respect of the Property without the prior written consent of the Purchaser, such consent not to be unreasonably withheld or delayed.
- (g) the Vendor will, cancel and terminate, or cause to be cancelled and terminated, all contracts, including the Service Contracts, which relate to the Property excepting only those contracts that the Purchaser elects in writing before the expiry of the Second Mutual Condition Waiver Date to have assigned to it, such termination and cancellation, as applicable, to be effective as of the day immediately preceding the Closing Date;
- (h) the Vendor will execute, or cause to be executed, and return to the Purchaser or the Purchaser's Solicitors as soon as is reasonably possible, all consents or letters of authority which it may be necessary for the Vendor to execute in order for the Purchaser to conduct such due diligence searches concerning the Vendor and the property as it determines to be necessary, in its sole discretion, in connection with the transactions contemplated herein.

3. PURCHASER'S REPRESENTATIONS AND WARRANTIES

The Purchaser hereby represents and warrants to the Vendor as representations and warranties that, unless otherwise specified, are true at the date hereof and will be true at the time of completion and that are to continue and to survive the purchase of the Property by the Purchaser regardless of any independent investigations that the Vendor may cause to be made, that, subject to the limitations, if any, expressed herein:

- (a) the Purchaser has the corporate authority and capacity to enter into this Agreement and to carry out and complete the transactions contemplated by this Agreement;
- (b) on the Closing Date, the transactions contemplated by this Agreement have been or will be duly and validly authorized by all requisite corporate proceedings of the Purchaser, this Agreement constitutes, and all other documents and agreements to be delivered by the Purchaser under this Agreement will constitute, legal, valid and binding obligations of the Purchaser enforceable against the Purchaser in accordance with their terms, subject only to equitable remedies being available only at the discretion of the courts; and
- (c) there is no action or proceeding pending or to the Purchaser's knowledge threatened against the Purchaser before any court, arbiter, arbitration panel, administrative tribunal or agency which, if decided adversely to the Purchaser, might materially affect the Purchaser's ability to perform its obligations hereunder.

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The Purchaser acknowledges that the Vendor is relying on the foregoing representations and warranties in connection with the purchase by the Purchaser of the Property. The Vendor acknowledges that the Purchaser is relying on the foregoing representations and warranties in connection with the purchase by the Purchaser of the Property.

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SCHEDULE D

TERMS OF 100% APPROVAL OF SALE

1. The parties acknowledge and agree that the procedures associated with the Mutual Conditions are necessary to effect a sale of land within a strata plan where 80% or more, but less than 100%, of the owners of strata lots wish to appoint a liquidator to wind up the Vendor as a strata corporation under the SPA and sell the Lands within the Strata Plan.
2. If at the meeting to approve the Required Resolutions, the Required Resolutions are approved by the Owners of 100% of the Strata Lots, then at the option of the Administrator on behalf of the Vendor, exercisable by written notice (the "Option Exercise Notice") delivered by the Administrator to the Purchaser within five (5) days after such meeting, the Administrator may deliver to the Purchaser, an individual contract of purchase and sale for each Strata Lot signed by the applicable Owner (each, an "Individual Strata Lot Contract") which will be on a form of contract prepared by the Purchaser's Solicitors, with reasonable amendments as may be agreed to by an Owner and the Purchaser. Each Individual Strata Lot Contract will:
 - (a) provide the name of the applicable Owner;
 - (b) provide the address and legal description of the applicable Strata Lot;
 - (c) not include any conditions precedent for the benefit of the Vendor or the Purchaser, if such conditions have not been waived or satisfied by the Purchaser, and the closing condition referred to in paragraph (e) below;
 - (d) provide the proportionate share of the Purchase Price payable to the Owner of the Strata Lot in accordance with the Winding Up Resolution, allocated as the purchase price for such Strata Lot and the same proportionate share of the Deposit allocated as a deposit under such Individual Strata Lot Contract;
 - (e) provide that the completion date will be as set out in Section 5 of this Schedule D, provided that it will be a condition of closing for the benefit of the Purchaser that all 6 Individual Strata Lot Contracts must complete on the same date and the Purchaser will have the right, in its sole discretion, to extend the completion date to ensure that all completions occur on the same date or, where either of Sections 4(a) or 4(b) of this Schedule D applies, to terminate all of the Individual Strata Lot Contracts, in which case the Winding Up Process will be resumed in accordance with Section 4 of this Schedule D;
 - (f) provide that no Owner will enter into any tenancy agreement in respect of such Owner's Strata Lot that is not a month-to-month tenancy or that provides for a term ending later than the Closing Date;
 - (g) provide that it will terminate and be of no further force or effect in accordance with Section 4 of this Schedule D.

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3. Upon receipt of Individual Strata Lot Contracts for all 6 Strata Lots completed in accordance with the foregoing and signed by each Owner, the Purchaser will promptly sign and return the same to the Vendor and the winding-up process described in Section 5 of this Agreement (the "Winding Up Process") will (except as otherwise herein provided) be suspended or will not be used to complete the sale and purchase of the Property except that the Vendor will make the application for the Winding Up Confirmation Order within the time therein provided in this Agreement, but will not otherwise pursue such application unless the Winding Up Process resumes as hereinafter provided.
4. Notwithstanding Section 2 and 3 of this Schedule D, if:
- (a) Individual Strata Lot Contracts for all 6 Strata Lots are not executed and delivered to the Purchaser within twenty-five (25) days after the date on which the Administrator delivers the Option Exercise Notice to the Purchaser (the "Strata Lot Contract Execution Deadline"); or
 - (b) any Owner advises the Administrator or the Purchaser that he or she will not complete the sale of such Owner's Strata Lot to the Purchaser in accordance with the applicable Individual Strata Lot Contract, or if all of the Individual Strata Lot Contracts do not complete on the same date, and the Purchaser gives written notice terminating the Individual Strata Lot Contracts to the Vendor with copies to each of the Owners,

then the Winding Up Process will be resumed, this Agreement will remain binding upon the Vendor and the Purchaser in full force and effect, unamended, and all of the Individual Strata Lot Contracts will terminate and be of no further force or effect.

5. The closing of the purchase and sale of the Strata Lots pursuant to the Individual Strata Lot Contracts executed and delivered pursuant to Section 3 of this Schedule D will occur on the date that is the last day of the third full calendar month following the Strata Lot Contract Execution Deadline.
6. In the event that the closing of the purchase and sale of the Strata Lots proceeds as contemplated by this Schedule D:
- (a) the Purchaser shall be responsible for the cancellation of the Strata Plan and the winding up of the Strata Corporation, at the Purchaser's own cost and expense, following the completion of the purchase and sale of all of the Strata Lots pursuant to the Individual Strata Lot Contracts provided that the Strata Corporation will be responsible for payment of all liabilities of the Strata Corporation due up to the Closing Date and the Purchaser will be credited with any expenses due by the Strata Corporation under any service contracts and/or property management agreements up to the Closing Date. If requested by the Purchaser, the Vendor will cancel all service contracts and property management agreements prior to the Closing Date at its own costs and expense;
 - (b) each Owner is entitled to receive from the Strata Corporation, which amount will be paid by the Strata Corporation on closing, such Owner's proportionate share of the funds remaining in the Strata Corporation's operating fund, contingency reserve fund and, if any,

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special levy funds after all financial obligations of the Strata Corporation up to and including the Closing Date have been met. For certainty, the Strata Corporation's financial obligations up to and including the Closing Date include the payment of the accounts of the Administrator and the Administrator's legal advisors in respect of the transaction contemplated by this Agreement, including this Schedule D; and

- (c) notwithstanding the fact that certain terms of this Agreement are suspended, the Vendor shall continue to perform its obligations under Section 2 of Schedule C of this Agreement.

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SCHEDULE E
OWNER'S AGREEMENT

BETWEEN: _____ (the "Owner")

AND: BUTTERSCOTCH HOLDINGS INC. (the "Purchaser")

RE: Purchase and Sale Agreement dated October __, 2020 (the "Purchase Agreement") between the Purchaser, as purchaser, and The Owners, Strata Plan VR456 (the "Strata Corporation"), as agent for and on behalf of the owners of all of the Strata Lots in Strata Plan VR456 (the "Strata Plan"), as vendor, with respect to the purchase and sale of the lands and buildings located at 1089 West 13th Avenue, Vancouver, B.C. (the "Property")

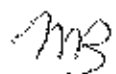
AND RE: Unit ____, 1089 West 13th Avenue, Vancouver, B.C. (the "Unit")

IN CONSIDERATION of the amount of \$10.00 now paid by each party to the other, the covenants and obligations set out in the Purchase Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party, the parties covenant and agree as follows:

1. Provided the purchase and sale of the Property completes in accordance with the terms and conditions of the Purchase Agreement, the Owner may remain in possession of the Unit until the date (the "Initial Delayed Possession Date") which is FOUR (4) months after the Closing Date (as defined in the Purchase Agreement). The Owner will not be required to pay any rent or license fee to the Purchaser while he or she remains in possession of the Unit during the period between the Closing Date and the Initial Delayed Possession Date.
1. The Owner covenants and agrees as follows:
 - (a) the Owner will vacate the Unit, and remove all of his or her personal property (which does not include any fixtures, major appliances (being any washer, dryer, refrigerator, oven, stove and built in dishwasher) or other improvements within the Unit (including, for example, doors, closet organizers, light fixtures or built-in furniture), the Owner acknowledging and agreeing that the Owner shall not have any salvage rights with respect to the Unit whatsoever) therefrom, and leave the Unit in a tidy and "broom clean" condition, on or before 5:00 p.m. on the Initial Delayed Possession Date;
 - (b) if the Owner intends to vacate the Unit prior to the Initial Delayed Possession Date, the Owner will give the Purchaser at least one week's written notice of its intention to vacate the Unit;
 - (c) the Owner will not damage the Unit or the Property, other than reasonable wear and tear, or remove, tamper with or damage any fixtures, major appliances or other improvements within the Unit or the Property, and will maintain reasonable health, cleanliness and sanitary standards throughout the Unit at all times;

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- (d) the Owner will be responsible for all costs and expenses for all utilities and services which are billed separately to the Unit or the Owner.
 - (e) the Purchaser not be will be responsible for any routine, non-structural repairs, maintenance and replacements associated with any Unit, including any the repair, maintenance and replacement of any furnishings, equipment and appliances located therein, but will be responsible for any repairs, maintenance and replacement that would have been the responsibility of the Strata Corporation pursuant to the *Strata Property Act* and the bylaws of the Strata Corporation prior to the winding up of the Strata Corporation. For greater certainty, an Owner occupying a Unit pursuant to this Agreement will not be responsible for improving the Unit to a better condition than it was in on the Closing Date; and
 - (f) for greater certainty, the Owner may not sublet the Unit or assign any of rights under this Agreement to any other person.
2. The Owner represents and warrants that: (i) prior to the cancellation of the Strata Plan, the owner was the registered and beneficial owner of the Unit; and (ii) there will be no leases or tenancy agreements which relate to or affect the Unit, and no tenants of the Unit, on or after the Closing Date.
 3. Notwithstanding section 1, each party acknowledges and agrees that, after the Initial Delayed Possession Date, the Purchaser may terminate an Owner's right to remain in possession of such Owner's Strata Lot under this Agreement by written notice to such Owner and with termination to be effective on the last day of the calendar month following the month in which written notice is given to such Owner.
 4. Each party acknowledges and agrees that it does not, by entering into this Agreement or otherwise, intend to create a tenancy or a tenancy agreement between the Owner and the Purchaser, and the Owner expressly acknowledges and agrees that, in no event will he or she be deemed or construed to be a tenant of the Unit, it merely being the intention of the parties hereto that the date for vacant possession of the Unit following the completion of the purchase and sale contemplated in the Purchase Agreement will be delayed to the Initial Delayed Possession Date. In the event that any court or tribunal (including the British Columbia Residential Tenancy Branch) finds that the Owner is a tenant of the Unit or that the *Residential Tenancy Act* (British Columbia) applies to the Owner's occupation of the Unit, then there will be deemed to be a fixed-term tenancy agreement between the Owner and the Purchaser which includes the following terms: (i) the end of the term of the tenancy thereunder will be the Initial Delayed Possession Date; (ii) the Owner will vacate the Unit on the Initial Delayed Possession Date; and (iii) such tenancy agreement will otherwise incorporate the terms and conditions set out in the standard residential tenancy agreement of the British Columbia Residential Tenancy Branch; and (iv) upon receipt of written notice from the Purchaser of the Purchaser's intention to terminate the tenancy pursuant to section 3, the Vendor will deliver to the Purchaser an executed copy of a Mutual Agreement to End Tenancy (#RTB - 8), with termination to be effective on the last day of the calendar month following the month in which such written notice is given to such Owner.
 5. This Agreement will enure to the benefit of and be binding upon the respective heirs, executors, administrators, other legal representatives, successors and assigns of the parties. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which, taken together, will be deemed to constitute one and the



same instrument. Delivery of an executed copy of this Agreement by electronic transmission will be as effective as personal delivery of an originally executed copy of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement this _____ day of _____, 20_____

By the Owner:

(seal)
Name of Witness:

(seal)
Name of Owner:

(seal)
Name of Witness:

(seal)
Name of Owner:

By the Purchaser:

BUTTERSCOTCH HOLDINGS INC.

By: _____
Name:
Title:

MB

IN THE SUPREME COURT OF BRITISH COLUMBIA

Re: THE OWNERS, STRATA PLAN VR 456
IN THE MATTER OF DIVISION 2 OF PART 16 OF THE STRATA PROPERTY ACT, SBC
1998, c. 43

AFFIDAVIT

I, Mark Goodman PREC, Realtor, of 560 -- 2608 Granville Street, Vancouver, British Columbia,
SWEAR THAT:

1. I am a a realtor with Goodman Commercial Inc., ("Goodman Commercial"), the real estate agent retained by the administrator, Garth Cambrey, on behalf of The Owners, Strata Plan VR456 (the "Strata Corporation"), and as such, I have personal knowledge of the facts and matters hereinafter deposed to, save and except where the same are stated to be based upon information and belief, and, where so stated, I verily believe the same to be true.
2. Pursuant to a listing agreement dated July 9, 2020 the Strata Council of the Strata Corporation formally retained Goodman Commercial to assist the Strata Corporation in the marketing and sale of the Spruce West strata complex and its related land (collectively the "Spruce West Complex").
3. The Spruce West Complex consists of six residential strata lots in one six-storey building and associated common property, built in or about 1977, and located at 1089 West 13th Avenue, Vancouver, B.C. Thereafter, Goodman Commercial commenced marketing of the Spruce West complex to prospective purchasers. Attached and marked as Exhibit "A" to this my affidavit is a true copy of the listing agreement, dated July 9, 2020.
4. I, along with my colleague Cynthia Jagger, of Goodman Commercial, have been involved in the marketing of the Spruce West Complex, and subsequent events leading up to the



Strata Corporation's approval of a winding up resolution at the Special General Meeting held on March 24, 2021.

5. For the purpose of swearing this affidavit I was not physically present before the Commissioner, but was linked with the Commissioner utilizing video technology and following the process for remote commissioning of affidavits set out in the directive issued by the B. C. Supreme Court on March 20, 2020.

Marketing of the Spruce West Complex

6. Based on Goodman Commercial's experience marketing housing cooperatives and other strata corporations for potential sale and windup, we recommended to the Strata Council that the Spruce West enter into an aggressive marketing process that included email, internet, social media, phone and print, highlighting the amazing attributes of the subject property and its attractive investment appeal to a local, national and international audience (the "Marketing Campaign").
7. Prior to the marketing of the Spruce West, Goodman Commercial had successfully used this process to generate multiple offers on other listings.
8. Prior to the commencement of the Marketing Campaign, we prepared a document summarizing our opinion on the value of the property (the "Valuation"). Based on the substantial costs to repair the building, Goodman Commercial determined there were four options for the pricing of the property:
 - a. \$2,975,268: Based on the assumption the building is vacated and all suites leased "at market rates";
 - b. \$3,954,300: Based on the assumption the building is vacated and all suites are sold individually;
 - c. \$3,396,263 to \$4,095,515: Based on the assumption the building is demolished (cost excluded); and
 - d. \$2,529,630 to \$3,091,770: Based on the assumption the building is demolished (cost excluded) and 100% rental assumed.
9. Notably, the range we proposed in the Valuation could be as low as \$2,975,268 depending on which option a buyer pursued. Attached and marked as Exhibit "B" to this my affidavit is a true copy of the Valuation.
10. Ultimately, we determined a suggested value range of \$3,500,000 to \$4,500,000 for the Marketing Campaign. A large range in value was due to the various unknowns such as which option a buyer would pursue and the significant need for repairs to the building. We erred on the high side and proposed to the Strata a listing price of \$4,750,000. I distributed the Valuation to Mr. Cambrey.

Mr.

11. On July 13, 2020 Cynthia Jagger and myself attended the July 2020 AGM to discuss the proposed marketing scheme and answer questions the owners may have about the marketing proposal and sale of the Spruce West. Attached and marked as **Exhibit "C"** to this my affidavit is a true copy of the July 2020 AGM Meeting Minutes.
12. Following receipt of comments and input from owners, we proceeded with the Marketing Campaign at the list price of \$4,750,000. Once the marketing materials for the Spruce West Complex were completed, our team publicly launched the Marketing Campaign in July 2020. The Marketing Campaign included the following activities:
 - a. Distributed a detailed information package on the Spruce West in the Goodman Report which reached approximately 15,000 worldwide subscribers. A copy of which is attached hereto to this Affidavit as **Exhibit "D"**.
 - b. Featured the Spruce West on the front page of our website (www.goodmanreport.com). This feature generated 3,750 views of the advertisement. A copy of the webpage is attached hereto to this Affidavit collectively as **Exhibit "E"**.
 - c. Advertised locally and nationally through the Western Investor Newspaper. The Western Investor has a distribution of approximately 40,000 subscribers. A copy of the Western Investor advertisement is attached hereto to this Affidavit as **Exhibit "F"**.
 - d. Advertised locally by taking out ads in the Landlord BC Magazine. The Landlord BC magazine has a distribution list of approximately 5,000 subscribers. A copy of the Landlord BC advertisement is attached hereto to this Affidavit as **Exhibit "G"**.
 - e. Advertised through an email campaign which resulted in 4,402 views and 1,005 clicks. A copy of the email advertisements is attached hereto to this Affidavit as **Exhibit "H"**.
 - f. Mailed out a postcard which reached 2,200 prospective purchasers. A copy of the email advertisements is attached hereto to this Affidavit as **Exhibit "I"**.
 - g. Created a confidentiality agreement which was required to be signed by the representatives of an interested purchaser before providing access to the due diligence information.
 - h. Distributed a high-quality sales brochure to thousands of investors and developers made up of local and international prospects and other centers of influence (i.e., lenders, appraisers, lawyers, CAs, financial planners and media).
 - i. Followed up with potential purchasers with phone calls and meetings with parties who inquired following our advertising or had signed confidentiality agreements.

13. In addition the marketing process described above, our team also advertised the Spruce West through the following social media sites:
- a. Advertised on Twitter which resulted in 410 views. A copy of the Twitter advertisement is attached hereto to this Affidavit as **Exhibit "J"**.
 - b. Advertised on Facebook for Business which reached approximately 12,552 prospective purchasers and resulted in 1,031 clicks. A copy of the Facebook advertisement is attached hereto to this Affidavit as **Exhibit "K"**.
 - c. Advertised on LinkedIn which reached approximately 3,618 potential purchasers. A copy of the LinkedIn advertisement is attached hereto to this Affidavit as **Exhibit "L"**.

Purchase and Sale of the Spruce West Complex

14. After the marketing campaign, two Letters of Intent (LOIs) were received by our office on behalf of the Strata Corporation. The offered purchase price in each of the two LOIs were within the range of our proposed market value.
- a. The first offer was from Butterscotch Holdings Inc. ("Butterscotch") for \$3,900,000 (the "Initial Butterscotch Offer").
 - b. The second offer was from OpenForm Properties Ltd. ("OpenForm") for \$4,300,000. I signed a letter of intent (the "OpenForm LOI") with OpenForm on August 6, 2020. Attached and marked as **Exhibit "M"** to this my affidavit is a true copy of the OpenForm LOI.
15. Initially we decided to move forward with the OpenForm LOI. On September 2, 2020 my colleague Cynthia Jagger and I attended a Special General Meeting of the Strata Corporation (the "September 2020 SGM"). In this meeting we reviewed the process our team followed in marketing the property and obtaining the Openform LOI. We also reviewed the next steps in the process including negotiating a purchase and sale agreement. We answered questions from owners about the windup and sale process. Attached and marked as **Exhibit "N"** to this my affidavit is a true copy of the September 2020 SGM Meeting Minutes.
16. Ultimately, OpenForm withdrew its offer on September 22, 2020 based on its estimated costs to repair the building. Attached and marked as **Exhibit "O"** to this my affidavit is a true copy of the email chain between myself and OpenForm dated September 22, 2020.
17. Butterscotch provided an LOI to the Strata Corporation ("Initial Butterscotch LOI") for \$3,900,000 on September 21, 2020. Mr. Cambrey accepted the LOI on behalf of the Strata Corporation on September 22, 2020. Attached and marked as **Exhibit "P"** to this my affidavit is a true copy of the Initial Butterscotch LOI.

ll.

This is **Exhibit "A"** referred to in the affidavit
of Mark Goodman, affirmed before me on
June , 2021

A Commissioner for Taking Affidavits
in British Columbia

EXCLUSIVE LISTING AGREEMENT

This Agreement made the 9th day of July, 2020

Between

Goodman Commercial Inc.
#560 – 2808 Granville Street,
Vancouver, BC, V6H 3V3

(hereinafter referred to as "Goodman")

And

The Owners, Strata Plan VR 456
c/o Garth Cambrey, Administrator
#2300 – 2850 Shaughnessy Street,
Port Coquitlam, BC, V3C 6K5
(hereinafter referred to as the "Strata Corporation")

WHEREAS:

- A. The Strata Corporation is a strata corporation established pursuant to the *Strata Property Act*, SBC 1998, c. 43, of British Columbia, as amended (the "SPA");
- B. Pursuant to a Court Order dated April 17, 2020 in the matter of *MacLennan v. The Owners, Strata Plan VR 456*, B.C. Supreme Court New Westminster Registry No. NEW-S-S-222743, Garth Cambrey of Cambrey Consulting Ltd. was appointed as the administrator (the "Administrator") of the Strata Corporation pursuant to section 174 of the SPA, and was ordered to take all reasonable and necessary steps to investigate and complete a voluntary winding-up of the Strata Corporation pursuant to Division 2 of Part 16 of the SPA, including entering into a listing agreement with a qualified real estate agent;
- C. The purpose of this Exclusive Listing Agreement ("Agreement") is to facilitate a voluntary winding up of the Strata Corporation with a liquidator ("Liquidator") pursuant to the SPA (a "Winding Up"), or a 100% approved sale of all strata lots to a single purchaser in lieu of such a Winding Up (a "100% Approved Sale").

In consideration of Goodman listing and agreeing to offer for sale the lands at 1089 West 13th Avenue, Vancouver and legally described as:



Strata Lots 1-6, Plan VAS456, District Lot 526, New Westminster Land District
 PID 004-046-471, 004-046-480, 004-046-498, 004-046-501, 004-046-510, 004-046-526
 (collectively the "Property")

during the Term of this Agreement, the Strata Corporation hereby grants to Goodman the sole and exclusive authority to secure a purchaser acceptable to the Strata Corporation for the Property, upon the following terms and conditions:

1. Goodman acknowledges and agrees that neither the Strata Corporation nor the Administrator is the owner of the Strata Lots and neither has registered title to the common property shown on Strata Plan VR 456 and thus neither is in a position to sell the Property but are only vehicles, pursuant to the provisions of Division 2 of Part 16 of the SPA, to coordinate the marketing and sale of the Property and effect the Winding Up of the Strata Corporation, the cancellation of Strata Plan VR 456 and the transfer of the land shown on the strata plan to the Liquidator and their subsequent transfer of the land shown on the strata plan to the purchaser (or a 100% Approved Sale in lieu thereof).
2. For the purposes of this Agreement, "Accepted Contract" means a binding contract for purchase and sale of the Property accepted by the Administrator on behalf of the Strata Corporation, which contract is subject to the provisions of section 3 of this Agreement.
3. Any Accepted Contract will be subject to obtaining:
 - (a) The approvals required pursuant to Division 2 [Voluntary Winding Up with Liquidator] of Part 16 of the SPA, which for certainty includes the following:
 - (i) the approval by the Owners (being the registered owners of the strata lots comprising Strata Plan VR 456) of a windup resolution by way of an 80% vote pursuant to Section 272 of the SPA (the "80% Vote Resolution");
 - (ii) assuming that the 80% Vote Resolution passes, the approval of the Owners of the Accepted Contract by way of an 75% vote pursuant to Section 282 of the SPA (the "75% Vote Resolution");
 - (iii) the granting of a court order by the BC Supreme Court pursuant to section 278.1 of the SPA, confirming the 80% vote resolution approved by the Owners pursuant to section 272 of the SPA; and
 - (iv) the granting of a court order by the BC Supreme Court pursuant to section 279 of the SPA, which, *inter alia*:

- (A) confirms the appointment of the Liquidator; and
 - (B) vests in the Liquidator title to the property for the purpose of selling the property to the purchaser pursuant to the Purchase Agreement; or
- (b) in the event that the Owners do not approve the 80% Vote Resolution, the approvals pursuant to Division 3 [Court Ordered Winding Up] of Part 16 of the SPA apply, which for certainty includes a Court Order pursuant to Sections 284 and 285 of the SPA.

If neither of the approvals in subsections 3(a) or (b) are obtained, the Accepted Contract shall be deemed null and void and the Strata Corporation shall have no obligation under this Agreement or an Accepted Contract.

4. Subject to the requirements of Division 2 of Part 16 of the SPA, the Administrator has exclusive conduct of the Property on behalf of the Strata Corporation and all of the Owners. Goodman and the Designated Agent(s) (as defined at section 8 of this Agreement) each acknowledge and agree that none of them will act for or in any way advise or negotiate on behalf of any Owners with respect to the potential winding up and sale of the Property (including any strata lots therewith) contemplated by this Agreement. For clarity, all negotiations regarding the potential winding up and sale of the Property (including any strata lots therewith) must be conducted by Goodman and/or the Designated Agent(s) through the Administrator. The foregoing does not however prevent Goodman and/or the Designated Agents from meeting with Owners to discuss any proposed sale or offer to purchase through a Winding Up (or 100% Approved Sale in lieu thereof), including considerations that may be specific to a particular owner, as long as such discussions and considerations are disclosed in advance to the Administrator and form part of the overall negotiations of between the Administrator, on behalf of the Strata Corporation, and the prospective purchaser of the Property.
5. Goodman will use due diligence and its best efforts in seeking prospective purchasers, utilizing appropriate advertising and promotional material at its sole cost.
6. All enquiries received by the Administrator during the Term regarding a potential purchase of the Property from any source whatsoever shall be referred to Goodman.
7. All offers are to be submitted to the Administrator through Goodman, including offers received from cooperating brokers.
8. The Listing Brokerage (Goodman) designates Mark Goodman Personal Real Estate Corporation and Cynthia Jagger Personal Real Estate Corporation (the "Designated Agents") to act as the sole agents of the Strata Corporation in respect of the Property.



9. Periodically, Goodman will provide the Administrator with written status reports on the marketing of the Property.
10. Subject to sections 12 and 13 of this Agreement, the Strata Corporation will pay Goodman a real estate commission in the amount of **two percent (2.0%)** (the "Commission") on the Property's total sale price (due and payable out of net proceeds on closing) plus applicable taxes. If there is a cooperating brokerage, the commission will be in the amount of **two and one-half percent (2.5%)** and Goodman will pay the cooperating brokerage, from the remuneration paid to Goodman by the Strata Corporation in an amount equal to **0.75%** of the sale price of the Property, plus applicable taxes.
11. For clarity, the Property's total sale price does not include any consideration in the form of any purchase and sale agreement by the purchaser to permit the Owners to continue residing in the strata lots on a no-charge or reduced charge basis following the completion of the transaction contemplated by the purchase and sale agreement or any incentives offered by such purchaser with respect to any developments of the purchaser.
12. The Commission shall be payable to Goodman by the Strata Corporation if any of the following events occur:
 - a. The Property is sold to any person or entity during the Term ;
 - b. The Strata Corporation enters into a binding agreement of purchase and sale for the Property during the Term , which completes or, directly or indirectly, leads to, contributes to, or is an effective cause of, the sale of the Property following the expiration of the Term;
 - c. Goodman negotiates an offer for the purchase of the Property during the Term and, as a result of such offer, the right of a third party(ies) to purchase or acquire the Property pursuant to a right of first refusal, option to purchase, or "buy-sell" or "shotgun" provision, or similar right, is triggered and such third party(ies) proceeds with and does purchase or acquire the Property; or
 - d. Within 6 months after the expiration of the Term :
 - i) The Property is sold to any person or entity to whom the Property was submitted or introduced by Goodman (an "Introduced Party"), initially or otherwise, prior to the expiration of the Term; or

- li) Negotiations or correspondence take place, which at any time thereafter, directly or indirectly, lead or contribute to, or are an effective cause of, the sale of the Property to an Introduced Party.
13. For the purposes of ascertaining the Strata Corporation's liability for the Commission under subparagraphs 12(d)(i) or 12(d)(ii), the Strata Corporation may, by written request to Goodman, inquire whether any person or entity with whom the Strata Corporation may contract, negotiate or correspond in connection with the sale of the Property after the expiration of the Term is an Introduced Party.
 14. For the purposes of this Agreement, any persons or entities that were or should have been referred to Goodman by the Strata Corporation pursuant to section 2 shall be deemed to be an Introduced Party.
 15. For the purposes of this Agreement, the purchase, sale or acquisition of the Property includes a purchase, sale or acquisition of all or a portion of the Property or an interest in the Property, and the purchase, sale or acquisition of shares in one or more companies that owns all or a portion of the Property or has an interest in the Property.
 16. It is understood and agreed that there are no representations, warranties, guarantees, promises or agreements other than made herein.
 17. In the event of:
 - (a) a Winding Up of the Strata Corporation, the commission will be paid in full to Goodman upon the completion of a transfer of all of the Owners' interest in the Strata Lots to the Liquidator and the transfer by the Liquidator of the land that was shown on the strata plan immediately before its cancellation to the Purchaser and the unconditional payment of the sale proceeds to the solicitors for the Liquidator, the Strata Corporation or the Owners, as applicable; and
 - (b) a 100% Approved Sale, the commission will be paid in full to Goodman upon the completion of a transfer of all of the Owners' interest in the Strata Lots to the purchaser and the unconditional payment of the sale proceeds to the solicitors for the Owners, in accordance with the listing agreement that to be entered into by the Owners and Goodman in the event that each of the Owners signs an individual purchase and sale agreement for his or her Strata Lot with the purchaser of all of the Strata lots.



- 18. The term of this Agreement and the authority granted to Goodman shall become effective from the date of execution of this Agreement and will remain effective up to and including February 28, 2021 (the "Initial Term"), and may be further extended upon mutual agreement of the parties in writing (together the Initial Term and any extensions thereof shall be the "Term"). Any extension of the Initial Term will be on the same terms and conditions contained in this Agreement, except as otherwise mutually agreed upon by the parties in writing. If the Strata Corporation enters into an agreement for purchase and sale of the Property (the "PSA") during the Term, then this Agreement shall automatically be extended until either the closing date or the termination date of the PSA.
- 19. During the Term, Goodman shall communicate with the Administrator only on behalf of the Strata Corporation, and not the Strata Council and/or the Owners, unless:
 - (a) the Administrator first approves any such communication in writing; or
 - (b) otherwise directed by Court Order.
- 20. Goodman hereby releases the Administrator, or any employee, agent, or representative of the Administrator, from any and all actions, causes of actions, contracts, covenants, whether express or implied, claims and demands for damages, personal injury, indemnity, costs, interest and loss of every nature and kind, whatsoever and howsoever arising, whether statutory or otherwise, which Goodman may heretofore have had, may now have, or may hereinafter have, in any way relating to or arising or resulting from this Agreement.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT DATED THE 9th DAY OF JULY, 2020

GOODMAN COMMERCIAL INC.

Per: Mark Goodman 07/10/2020
7/10/2020 4:59:13 AM PDT
 Mark Goodman, Principal

THE OWNERS, STRATA PLAN VR 456

Per: J. Barth Cambrey
 J. Barth Cambrey, Administrator

llr.

This is Exhibit "B" referred to in the affidavit
of Mark Goodman, affirmed before me on
June , 2021

A Commissioner for Taking Affidavits
In British Columbia

A handwritten signature in black ink, consisting of stylized cursive letters, likely initials or a name, located in the bottom right corner of the page.

Goodman:

PROPOSAL

Spruce West

1089 West 13th Avenue, Vancouver

Prepared for

The Owners, Strata Plan VR 456

July 21, 2020



PROPERTY

PROPERTY SUMMARY

Registered owner	The Owners, Strata Plan VR 456		
Name of building	Spruce West		
Address	1088 West 13th Avenue, Vancouver		
Legal description	Strata Lots 1-6, District Lot 526, Strata Plan VR, 456, together with an interest in the common property in proportion to the unit entitlement of the strata lot as shown on Form 1.		
PID	004-046-471, 004-046-480, 004-046-498, 004-046-501, 004-046-510, 004-046-528		
Zoning	RM-3 Multiple Family Dwelling		
Lot size	99.93' x 62.51' (6,246 SF)		
Location	Fairview		
Year built	1977		
Storeys	6		
Net rentable area	5,738 SF		
Units	6		
Suite mix*		No. units	Avg. SF
	One bedroom	1	846 SF
	Two bedroom	5	978 SF
	Total	6	
Parking	6 underground + 4 surface stalls		
Taxes (2020)	\$12,408		
Assessments (2020)	Land		\$3,285,000
	Improvements		\$956,000
	Total		\$4,241,000

*Suite type and size based on Tax Report and Floor Plan

CONCLUSION

We started by gathering the factual details of your property, then used them as a basis for the income and comparable approaches to valuation. We took into account your property's location, building type and condition, projected income and expenses, as well as the current climate of high demand and scarcity of similar product.

Suggested value

\$3,500,000 – \$4,500,000

Recommended list price

\$4,750,000

VALUATION

We use the most established professional approaches to arrive at the best estimate of value.

lu

VALUATION / RENTAL SCENARIO

PROJECTED RENT ROLL

Strata Lot #	Unit #	Type	# Bathroom(s)	Est. Market Rent (\$)	*Size (SF)	Rent/SF (\$)
1	101	2 bedroom	2 full	3,000	964	3.05
2	201	2 bedroom	2 full	3,100	977	3.17
3	301	2 bedroom	2 full	3,150	977	3.22
4	401	2 bedroom	2 full	3,200	977	3.28
5	501	2 bedroom	2 full	3,250	977	3.33
6**	601	1 bedroom + den	1 powder + 1 full	3,000	846	3.55
Total	6 suites			\$18,700	5,738	\$3.26

* Measurement taken from strata plan.

** Penthouse unit.

VALUATION / RENTAL SCENARIO**PROJECTED INCOME AND EXPENSES
2020**

Income (projected "at market")			
1	Rent (estimated)	\$18,700 x 12 months	\$224,400
2	Parking (est. \$75 / month x 10)	\$750 x 12 months	9,000
3	Laundry (in-suite)		
4	Gross income		<u>233,400</u>
5	Less vacancy at 0.5%		<u>(1,167)</u>
6	Effective gross income		\$232,233
Expenses (estimate based upon industry metrics)			
7	Insurance (normalized)	\$450 per suite/annum	\$2,700
8	License		500
9	Taxes (2020 actual)		12,408
10	Repairs & maintenance	\$700 per suite/annum	4,200
11	Landscaping (2020 budget)		2,500
12	Pest control		500
13	Fire safety (2020 budget)		2,000
14	Garbage	\$220 per suite/annum	1,320
15	Hydro (2020 budget)		1,200
16	Water/sewer (2020 budget)		1,450
17	Elevator (2019 actual)		4,450
18	Caretaker	\$60 per suite/month	4,320
19	Total expenses		<u>(37,548)</u>
20	Net operating income		\$194,685

VALUATION / CONDO**FAIRVIEW CONDO LISTINGS (JULY 2020)**

Address	Age	List Price	Floor Area - Grand Total	Price Per SQFT
207 2988 ALDER STREET	28	\$725,000	821	883.07
201 1616 W 13TH AVENUE	45	\$899,000	1,010	890.1
603 1633 W 8TH AVENUE	26	\$899,900	1,035	869.47
604 2288 PINE STREET	27	\$1,088,000	1,128	961.54
1106 1633 W 8TH AVENUE	26	\$949,900	1,138	834.71
802 2668 ASH STREET	31	\$1,138,000	1,217	935.09
301 2988 ALDER STREET	27	\$949,000	1,264	750.79
#10 766 W 7TH AVENUE	37	\$1,145,000	1,307	876.05
601 1485 W 6TH AVENUE	20	\$1,648,000	1,323	1245.65
1101 1633 W 10TH AVENUE	29	\$2,169,000	1,604	1352.24
724 1445 MARPOLE AVENUE	68	\$1,699,000	1,697	1001.18
204 3133 CAMBIE STREET	28	\$1,359,888	1,699	800.4
1029 W 7TH AVENUE	36	\$1,899,800	1,724	1101.97
TH1 2668 ASH STREET	31	\$1,650,000	1,783	925.41
900 1788 W 13TH AVENUE	24	\$2,298,000	1,804	1273.84
1502 2628 ASH STREET	31	\$2,500,000	1,914	1306.17
PH 1788 W 13TH AVENUE	24	\$3,950,000	2,010	1965.17
800 1685 W 14TH AVENUE	50	\$3,300,000	3,648	904.61
		\$30,267,488	28,126	\$1,076

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VALUATION / CONDO**RECENT FAIRVIEW CONDO SALES**

Address	Sold Date	Sold Price	Floor Area - Grand Total	Sold Price per SqFt
701 1445 MARPOLE AVENUE	2/7/2020	\$451,000	540	\$835
312 1445 MARPOLE AVENUE	12/24/2019	\$468,000	580	\$807
104 1445 MARPOLE AVENUE	10/17/2019	\$470,000	580	\$810
420 1445 MARPOLE AVENUE	6/22/2020	\$475,000	580	\$819
815 1445 MARPOLE AVENUE	11/20/2019	\$475,000	580	\$819
314 1445 MARPOLE AVENUE	7/6/2020	\$462,500	585	\$791
106 1445 MARPOLE AVENUE	2/13/2020	\$495,000	612	\$792
303 1333 W 7TH AVENUE	5/6/2020	\$570,000	618	\$925
1004 1633 W 8TH AVENUE	1/26/2020	\$675,000	650	\$1,038
802 1686 W 13TH AVENUE	5/16/2020	\$704,900	686	\$1,028
502 1405 W 12TH AVENUE	10/1/2019	\$594,000	696	\$853
215 1236 W 8TH AVENUE	2/21/2020	\$582,000	705	\$826
1305 2668 ASH STREET	9/28/2019	\$612,000	708	\$864
607 503 W 16TH AVENUE	9/6/2019	\$640,000	744	\$860
804 1438 W 7 AVENUE	11/12/2019	\$630,000	760	\$829
602 1445 MARPOLE AVENUE	2/9/2020	\$595,000	772	\$771
208 2201 PINE STREET	2/3/2020	\$640,000	780	\$821
816 1445 MARPOLE AVENUE	3/2/2020	\$900,000	780	\$1,154
106 503 W 16TH AVENUE	10/23/2019	\$580,000	781	\$743
312 503 W 16TH AVENUE	7/17/2019	\$642,000	783	\$820
407 2288 PINE STREET	9/16/2019	\$672,000	788	\$853
122 1445 MARPOLE AVENUE	8/30/2019	\$647,500	797	\$812
106 2628 ASH STREET	12/13/2019	\$657,000	802	\$819
407 2988 ALDER STREET	11/10/2019	\$560,000	804	\$697
616 1445 MARPOLE AVENUE	6/9/2020	\$728,000	820	\$888
620 1268 W BROADWAY	4/19/2020	\$670,000	823	\$814
603 1355 W BROADWAY AVENUE	3/6/2020	\$725,000	840	\$863
303 1166 W 11TH AVENUE	9/24/2019	\$775,000	844	\$918

VALUATION / CONDO**RECENT FAIRVIEW CONDO SALES**

Address	Sold Date	Sold Price	Floor Area Grand Total	Sold Price per SqFt
305 503 W 16TH AVENUE	12/3/2019	\$655,500	847	\$774
102 665 W 7TH AVENUE	3/2/2020	\$870,000	855	\$1,018
301 500 W 10TH AVENUE	11/17/2019	\$755,000	857	\$881
204 2638 ASH STREET	11/10/2019	\$720,000	863	\$834
705 1633 W 8TH AVENUE	11/24/2019	\$780,000	867	\$900
730 1268 W BROADWAY	4/3/2020	\$600,000	897	\$669
406 518 W 14TH AVENUE	12/16/2019	\$756,000	919	\$823
503 500 W 10TH AVENUE	9/6/2019	\$798,000	978	\$816
606 1355 W BROADWAY	3/18/2020	\$820,000	1,010	\$812
603 1616 W 13TH AVENUE	9/20/2019	\$890,000	1,020	\$873
503 1633 W 8TH AVENUE	10/13/2019	\$925,000	1,035	\$894
811 500 W 10TH AVENUE	10/26/2019	\$903,000	1,045	\$864
605 503 W 16TH AVENUE	3/7/2020	\$750,000	1,065	\$704
505 503 W 16TH AVENUE	2/11/2020	\$775,000	1,085	\$714
1401 1590 W 8TH AVENUE	6/12/2020	\$1,067,500	1,093	\$977
111 500 W 10TH AVENUE	10/17/2019	\$780,000	1,095	\$712
704 2288 PINE STREET	7/17/2019	\$950,000	1,128	\$842
1503 1590 W 8TH AVENUE	11/11/2019	\$1,380,000	1,143	\$1,207
203 2438 HEATHER STREET	5/25/2020	\$905,000	1,145	\$790
706 2288 PINE STREET	8/29/2019	\$885,000	1,163	\$761
706 2288 PINE STREET	6/10/2020	\$1,297,000	1,206	\$1,075
201 2438 HEATHER STREET	6/1/2020	\$1,045,000	1,214	\$861
702 503 W 16TH AVENUE	10/30/2019	\$965,000	1,262	\$765
203 3055 CAMBIE STREET	11/13/2019	\$870,000	1,272	\$684
1203 2628 ASH STREET	7/16/2019	\$1,203,000	1,287	\$936
1010 1268 W BROADWAY	3/9/2020	\$958,000	1,288	\$744
501 1616 W 13TH AVENUE	2/28/2020	\$880,000	1,312	\$671

VALUATION / CONDO**RECENT FAIRVIEW CONDO SALES**

Address	Sold Date	Sold Price	Floor Area - Grand Total	Sold Price per SqFt
501 1616 W 13TH AVENUE	6/18/2020	\$949,000	1,312	\$723
202 1633 W 10TH AVENUE	5/24/2020	\$1,060,000	1,335	\$794
1102 1590 W 8TH AVENUE	10/26/2019	\$1,600,000	1,346	\$1,189
413 1707 W 7TH AVENUE	9/9/2019	\$1,249,000	1,418	\$881
507 518 W 14TH AVENUE	11/14/2019	\$1,240,000	1,426	\$870
801 1337 W 10TH AVENUE	9/11/2019	\$1,420,000	1,495	\$950
601 1337 W 10TH AVENUE	1/14/2020	\$1,460,000	1,495	\$977
502 3055 CAMBIE STREET	9/20/2019	\$970,000	1,556	\$623
601 3055 CAMBIE STREET	8/23/2019	\$1,060,000	1,556	\$681
802 1633 W 10TH AVENUE	10/5/2019	\$1,650,000	1,612	\$1,024
1003 1438 W 7TH AVENUE	4/24/2020	\$1,700,000	1,889	\$900
2 2838 BIRCH STREET	5/21/2020	\$1,685,000	1,932	\$872
PH 1405 W 12TH AVENUE	11/9/2019	\$1,900,000	2,104	\$903
802 518 W 14TH AVENUE	11/16/2019	\$2,070,000	2,738	\$756
		\$61,281,960	72,201	\$849

VALUATION / LAND

Land Sales Activity (RM-Zoned)

Site Name Address	Sale Date	Sale Price	Site Area (SF) (acres)	Sale Price / SF of Site Area	Sale Price PBA	Zoning FSR	Subdivision
Vancouver West							
1 946 W 14th Ave Vancouver	Apr-20	\$2,950,000	6,250 0.14	\$472	\$326	RM-4 1.45	Fairview
* 2 5874 Vine St Vancouver	Apr-20	\$2,550,000	4,135 0.09	\$617	\$425	RM-3 1.45	Kerrisdale - assumed RM-3 at 1.45 FSR
3 10th Vancouver	Sep-19	\$2,300,000	4,250 0.10	\$541	\$373	RM-3 1.45	Fairview - assume RM-3 at 1.45 FSR
4 2125 W 7th Vancouver	Mar-19	\$7,960,000	11,000 0.25	\$724	\$499	RM-4 1.45	Kitsilano
Vancouver East							
5 4967 Main Vancouver	Dec-19	\$3,370,000	5,644 0.13	\$597	\$412	RM-3A 1.45	Main - higher density through OCP
* 6 4987 Main Vancouver	Feb-20	\$3,300,000	5,450 0.13	\$606	\$418	RM-3A 1.45	Main - higher density through OCP
* 7 320 E 15th Vancouver	Oct-19	\$14,500,000	28,398 0.65	\$511	\$365	RM-4 1.40	Mount Pleasant

* Sold by Goodman Commercial

Land Listings (RM-Zoned)

Site Name Address	List Date	Sale Price	Site Area (SF) (acres)	Sale Price / SF of Site Area	Sale Price PBA	Zoning FSR	Subdivision
Redevelopment Sites							
1 2975 Heather Vancouver	2020	\$10,000,000	12,500 0.29	\$800	\$552	RM-4 1.45	Fairview

cc.

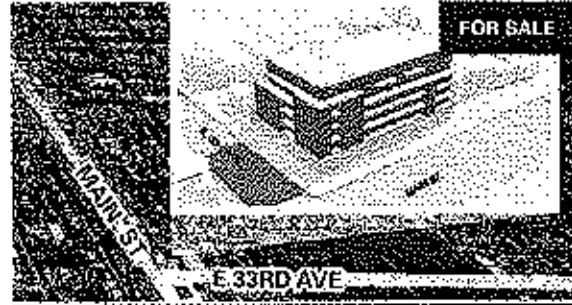
VALUATION / SELECTED LAND LISTINGS & SALES

**DP APPROVED RENTAL PROJECT**

1517 Comox Street, Vancouver

Asking: \$4,500,000

Infill development potential

**SIX-STOREY RENTAL SITE**

Corner of Main & East 33rd, Vancouver

Price TBA

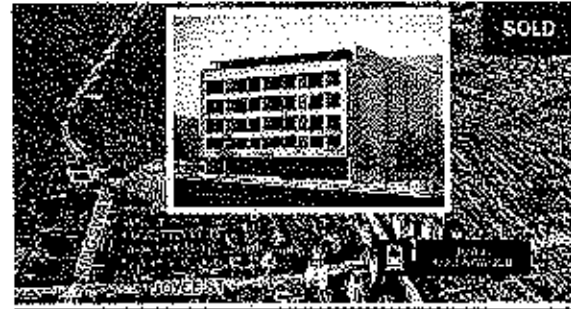
18,487 SF multi family development site

**APARTMENT WITH DEV. POTENTIAL**

4987 Main Street, Vancouver

Sold \$3,300,000

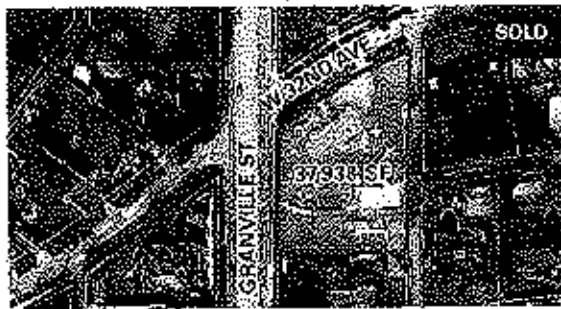
Apartment with redevelopment potential

**MIXED-USE RENTAL DEVELOPMENT SITE**

3070 Kingsway, Vancouver

Sold \$5,575,000

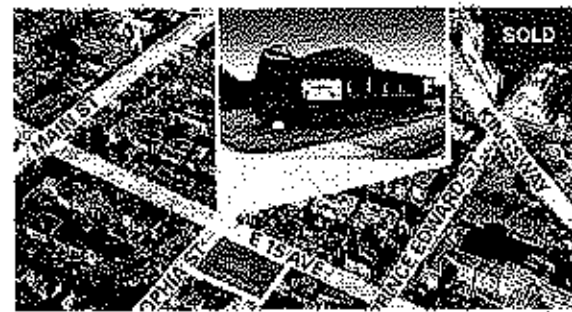
Rezoning has been approved to CD-1

**WESTSIDE RENTAL SITE**

1494 W 32nd Ave & 4750 Granville St, Vancouver

Sold \$12,700,000

Multi-family development site. Total lot area ~38,000 SF.

**REDEVELOPMENT SITE**

320 East 15th Avenue, Vancouver

Sold \$14,500,000

Multi-family redevelopment site; 231' x 123' (~28,400 SF)

SHARE DISTRIBUTION

Unit #	Strata lot	Unit entitlement	Interest upon destruction	Interest upon destruction (%)	Share distribution (interest upon destruction)		
					3.5M	4M	4.5M
101	1	984	123000	16.3%	\$569,444	\$650,794	\$732,143
201	2	977	123000	16.3%	\$569,444	\$650,794	\$732,143
301	3	977	123000	16.3%	\$569,444	\$650,794	\$732,143
401	4	977	127000	16.8%	\$587,963	\$671,958	\$755,952
501	5	977	130000	17.2%	\$601,852	\$687,831	\$773,810
601	6	846	130000	17.2%	\$601,852	\$687,831	\$773,810
Total	5 units	5738	756000	100%	\$3,500,000	\$4,000,000	\$4,500,000

Goodman:

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Goodman Commercial Inc.
560-2608 Granville Street
Vancouver V6H 3V3



This is Exhibit "C" referred to in the affidavit
of Mark Goodman, affirmed before me on
June , 2021

A Commissioner for Taking Affidavits
in British Columbia

M.

ANNUAL GENERAL MEETING**STRATA PLAN VR 456 – SPRUCE WEST**

DATE HELD: Monday, July 13, 2020
LOCATION: Virtual via Zoom
CALL TO ORDER: 7:00 PM

Owners in Attendance: All 6 strata lot owners were present electronically which under Ministerial Order M 114 are deemed to be in person.

Guests: Cynthia Jagger, Goodman Commercial Inc.
 Mark Goodman, Goodman Commercial Inc.

Also in Attendance: J. Garth Cambrey, Court Appointed Administrator

1. CALL TO ORDER

The meeting was called to order by the Court Appointed Administrator, Mr. Garth Cambrey, at 7:09 p.m.

Cynthia Jagger and Mark Goodman of Goodman Commercial Inc. (Goodman) were present at the beginning of the meeting to briefly discuss their marketing scheme and answer questions owner might have. Some of the things discussed included:

- Goodman will be attending the building on July 15th with photographer to view and take photographs of the building and hopefully 2 suites for marketing brochure – Dan Sonnenschein agreed to provide access to the building and offered his strata lot for photographs.
- Goodman to provide an opinion on value using different approaches. Noted the “wildcard” is the cost to repair the building and suggested a market appraisal be obtained by the strata corporation.
- A listing agreement has been signed and Mr. Cambrey was requested to provide a copy to all owners. There was a question on the September 15, 2020 deadline set out in the marketing Request for Proposal (RFP). Mr. Cambrey advised the deadline was a listing goal in the RFP but clarified it is not a requirement set out in the listing agreement.
- Goodman confirmed it has no relationship with any owner.
- Signage will be placed on the property indicating the property is for sale.
- All showings will be by appointment and access to some or all suites may be required.
- Discussion on current zoning.
- In advance of the meeting, Mr. Cambrey provided owners with a list of items required by Goodman, such as a list of strata lots improvements and chattels that are to be excluded from any purchase and sale agreement – owners will need to provide this information to Mr. Cambrey who will pass it on to Goodman.

Ms. Jagger and Mr. Goodman were excused and left the meeting.

2. CERTIFICATION OF PROXIES

Prior to the commencement of the Meeting, it was determined that six (6) votes were present in person and zero (0) votes were present by proxy for a total of six (6) votes.

3. DETERMINATION OF QUORUM

Mr. Cambrey advised that the quorum of two (2) votes had been met and he declared that the meeting was competent to proceed with business.

4. ELECTION OF PERSON TO CHAIR THE MEETING

Mr. Cambrey advised that he would chair the meeting as the sole representative of the Strata Corporation and Strata Council under the terms of the April 17, 2020 Court Order.

5. PROOF OF NOTICE OF MEETING

Owners were advised that Notice of the Annual General Meeting was distributed in accordance with the Bylaws and the Strata Property Act.

It was MOVED AND SECONDED (201/301)

That Proof of Notice of the Meeting be accepted.

A poll vote was taken and the resolution to accept proof of notice of the meeting was declared

CARRIED UNANIMOUSLY

6. APPROVAL OF AGENDA

It was MOVED AND SECONDED (501/601)

That the Agenda distributed with the Notice of Meeting be approved as circulated.

A poll vote was taken and the resolution to approve the agenda was declared

CARRIED UNANIMOUSLY

7. APPROVAL OF THE PREVIOUS MINUTES

It was **MOVED AND SECONDED (301/401)** to adopt the previous Special General Meeting minutes of October 22 and October 29, 2019 as distributed.

There was discussion about possible outstanding invoices due to Clark Willson for legal services. The administrator advised no such invoices were brought to his attention, but that he would follow up with Clark Wilson if necessary.

A poll vote was taken and the resolution to approve the previous minutes was declared

CARRIED (5 votes in favour, 601 abstained)

8. UNEFINISHED BUSINESS

a. 3/4 Vote Resolution #1 - Special Levy Refund

It was **MOVED AND SECONDED (301/201)**

WHEREAS:

At the special general meeting held October 22 and 29, 2019, The Owners, Strata Plan VR 456 ("Strata Corporation") passed a 3/4 vote to approve a \$1,800.00 special levy for the purpose of obtaining an updated opinion of probable cost for the building envelope remediation from Read Jones Christoffersen Ltd. ("RJC");

AND WHEREAS

The Strata Corporation has collected the special levy from all owners but has not taken, and no longer wishes to take, steps to obtain the updated opinion of probable cost from RJC;

BE IT THEREFORE RESOLVED:

By 3/4 vote of Strata Corporation, that the \$1,800 special levy approved on October 29, 2019 be refunded to all strata lots in proportion to unit entitlement and the 3/4 vote approved October 29, 2019 be and is hereby rescinded. If special levies are approved later at this meeting, the Strata Corporation may deduct the refund amount due to each strata lot to reduce the amount of other approved special levies.

There was discussion on whether the strata had paid money to RJC for updating the opinion of probable cost.

A poll vote was taken and 3/4 Vote Resolution #1 was declared

CARRIED (5 votes in favour, 401 abstained)

9. REPORT OF ADMINISTRATOR

Mr. Cambrey owners were advised of the strata corporation affairs by way of regular email updates and he had nothing further to report at this time.



10. REPORT ON INSURANCE

Mr. Cambrey noted a summary of the insurance coverage carried by the Strata Corporation was attached to the AGM Notice and that details leading up to the insurance renewal on June 1, 2020 were previously provided to all owners.

11. RATIFICATION OF RULES

Mr. Cambrey advised he was not aware of the adoption of any rules being that required ratification. There was no further discussion.

12. APPROVAL OF BUDGET

It was **MOVED AND SECONDED (501/601)**

That the operating budget attached to the Notice of Meeting authorizing \$29,957 in income and expenditures, and the contingency reserve fund budget authorizing \$2,996 in income be approved as circulated.

Dr. Mok remarked that discussion at the information meeting held June 3, 2020 included discussion about "variances" on the part of the treasurer and questioned what, if anything came from that discussion.

Mr Cambrey reported that following the information meeting he was made aware of fire stopping work being completed in the exit stairs (that is or was falling out) allegedly without proper approval. It is also alleged that the work completed would cost about \$13,000 to remove, according to the Columbia Seal quotation obtained in 2019 for the fire stopping repair. Dan Sonnenschein commented that Columbia Seal was in contact with the City of Vancouver when preparing its quotation.

Mr Cambrey advised the fire stopping repairs remain unresolved, as the work has not been completed. He further advised that the matter of fire stopping repairs was on the agenda and would be considered when the matter of the outstanding City Work Order was discussed.

The matter of banking arrangements suggested by Mr. Cambrey was briefly discussed.

A poll vote was taken and the budget was declared

CARRIED (5 votes in favour, 401 abstained)

Mr. Cambrey advised the approved budget and new strata fees are effective August 1, 2020.



Financial Information for the Period Ending April 30, 2020

Mr. Cambrey referred owners to the financial information for the fiscal year ending April 30, 2017 attached to the Notice of Meeting. He noted that approval of the financial information is not required under the provisions of the *Strata Property Act*.

There was no discussion.

13. NEW BUSINESS

a. 3/4 Vote Resolution #2 - Waiver of Depreciation Report

It was **MOVED AND SECONDED (501/601)**

WHEREAS:

The Owners, Strata Plan VR 456, ("Strata Corporation") wish to defer obtaining a Depreciation Report as required under section 94 of the *Strata Property Act* until the conclusion of the Administrator's appointment;

BE IT RESOLVED:

By a 3/4 vote of the Strata Corporation that the requirement for the Strata Corporation to obtain a Depreciation Report is waived.

A poll vote was taken on 3/4 Vote Resolution #2 and it was declared

CARRIED UNANIMOUSLY

b. 3/4 Vote Resolution #3 – City Work Order

It was **MOVED AND SECONDED (501/601)**

WHEREAS:

The City of Vancouver ("City") has issued a work order ("City Work Order") for The Owners, Strata Plan VR 456 ("Strata Corporation") to immediately repair the exit stairs in its building;

AND WHEREAS:

The Administrator has obtained a proposal dated June 16, 2020 from Read Jones Christoffersen Ltd. ("RJC") to design and oversee the repairs necessary to satisfy the City Work Order for an estimated fee of \$8,000;

AND WHEREAS:

The Administrator has, with the assistance of RJC, estimated the cost of the exit stair repairs, including RJC's fees, to be approximately \$50,000;

BE IT RESOLVED

By a $\frac{3}{4}$ Vote of the Strata Corporation, that a special levy in the aggregate amount of Fifty Thousand Dollars (\$50,000) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of paying RJC to design temporary shoring to eliminate the life safety risk of the exit stairs, and oversee the temporary shoring work and fire stopping installation in accordance with its June 16, 2020 proposal and the City Work Order. Such special levy shall be due immediately but may be paid, for convenience purposes only, in 4 equal installments due July 1, August 1, Sept 1 and October 1, 2020 in proportion with unit entitlement as set out in Schedule "A", below.

SCHEDULE "A"

**THE OWNERS, STRATA PLAN VR 456 - Spruce West
 SPECIAL LEVY SCHEDULE
 City Work Order**

TOTAL SPECIAL LEVY		\$50,000.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$8.71384

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY	Equal Installments due July 1, August 1, September 1 & October 1, 2020
1	101	984	\$8,574.42	\$2,143.61
2	201	977	8,513.42	2,128.36
3	301	977	8,513.42	2,128.36
4	401	977	8,513.42	2,128.36
5	501	977	8,513.42	2,128.36
6	601	846	7,371.91	1,842.98
TOTAL	TOTAL	5,738	\$50,000.01	\$12,500.03

Mr. Cambrey advised that he was obligated to have the work ordered by the City completed based on his discussions with the City inspector about the life safety issue with the stairs as identified by RJC in its recent report. There was considerable discussion about Strata Corporation's obligation to complete the work ordered by the City and comments that a different engineer with RJC had previously stated the exit stairs were not a life safety issue.

It was then **MOVED AND SECONDED (401/201)**

That $\frac{1}{2}$ Vote Resolution #3 be amended to require equal instalment payments on August 1, September 1, October 1 and November 1, 2020.

A poll vote was taken on the amendment and it was declared

CARRIED UNANIMOUSLY

Following discussion, a poll vote was taken on $\frac{1}{2}$ Vote Resolution #3 as amended and it was declared

CARRIED (5 votes in favour, 401 abstained)

c. **$\frac{1}{2}$ Vote Resolution #4 – RJC and Fairlane Expenses**

It was **MOVED AND SECONDED (601/301)**

WHEREAS:

The Owners, Strata Plan VR 456 ("Strata Corporation") has received invoice #317168 dated May 26, 2020 from Read Jones Christoffersen ("RJC") in the amount of \$2,052.75 for an opinion on the structural integrity of the building's exit stairs as requested by the Administrator;

AND WHEREAS:

The Strata Corporation has received three repair estimates (2463, 2464, and 2465) dated November 8, 2019 from Fairlane Fire Protection Ltd. ("Fairlane") totaling \$2,282.29 and wishes to proceed with the quoted repairs;

AND WHEREAS:

The Strata Corporation does not have sufficient money in its operating or contingency reserve funds to pay for the RJC invoice and quoted Fairlane repairs;

BE IT RESOLVED

By a $\frac{1}{2}$ vote of the Strata Corporation, that a special levy in the aggregate amount of Four Thousand Five Hundred Dollars (\$4,500) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of paying RJC invoice #317168 and Fairlane repairs set out in estimates 2463, 2464 and 2465. Such special levy shall be due immediately but may be paid, for convenience purposes only, on July 1, 2020 as set out in Schedule "B" below.

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SCHEDULE "B"

**THE OWNERS, STRATA PLAN VR 456 - Spruce West
SPECIAL LEVY SCHEDULE
Fairlane Fire Protection and RJC Expenses**

TOTAL SPECIAL LEVY		\$4,500.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$0.78425

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY
1	101	984	\$771.70
2	201	977	766.21
3	301	977	766.21
4	401	977	766.21
5	501	977	766.21
6	601	846	663.47
TOTAL	TOTAL	5,738	\$4,500.01

Following discussion, a poll vote was taken and $\frac{1}{2}$ Vote Resolution #4 was declared

DEFEATED (3 votes in favour, 101, 201 and 401 opposed)

d. $\frac{1}{2}$ Vote Resolution #5 – Administrator Fees and Disbursements

It was **MOVED AND SECONDED (501/601)**

WHEREAS:

The Owners, Strata Plan VR 456 ("Strata Corporation") is required to pay Administrator fees and disbursements from its operating or contingency reserve fund pursuant to the BC Supreme Court consent order dated April 17, 2020;

AND WHEREAS:

The Strata Corporation has received invoice #1523 dated June 11, 2020 from the Administrator in the amount of \$4,885.00 and is not presently able to pay the invoice due to the current fund account balances and projected expenses;

AND WHEREAS:

The Strata Corporation wishes to raise funds to pay for Administrator Invoices, including invoice #1523 already received;



BE IT RESOLVED

By a ¾ vote of the Strata Corporation, that a special levy in the aggregate amount of Twenty-One Thousand Dollars (\$21,000) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of increasing the contingency reserve fund and to pay the Administrator's invoices. Such special Levy shall be due immediately but may be paid, for convenience purposes only, in 3 equal installments on July 1, August 1, and September 1, 2020 as set out in Schedule "C" below.

SCHEDULE "C"

**THE OWNERS, STRATA PLAN VR 456 - Spruce West
 SPECIAL LEVY SCHEDULE
 Administrator Fees & Disbursements**

TOTAL SPECIAL LEVY		\$21,000.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$3.65981

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY	Equal installments due July 1, August 1, and September 1, 2020
1	101	984	\$3,601.25	\$1,200.42
2	201	977	3,575.64	1,191.88
3	301	977	3,575.64	1,191.88
4	401	977	3,575.64	1,191.88
5	501	977	3,575.64	1,191.88
6	601	846	3,096.20	1,032.07
TOTAL	TOTAL	5,738	\$21,000.01	\$7,000.01

Michelle Bergeron Mok requested clarification on a recent July 8, 2020 invoice from Lesperance Mendes forming part of Mr. Cambrey's invoice for June 2020 services. Mr. Cambrey advised he would obtain further details from Paul Mendes.

Dr. Mok raised the possibility of the strata corporation retaining legal counsel. Mr Cambrey advised that Paul Mendes, although retained by Mr. Cambrey, is effectively acting for the strata corporation because Mr. Cambrey, as Administrator, must act in the best interests of the strata corporation. He also stated that in the case of a dispute between Mr. Cambrey and the strata corporation, Mr. Mendes would not be able to assist the strata corporation.

Mr. Cambrey advised that if the strata corporation wanted to retain separate legal counsel, he would provide assistance.

It was then **MOVED AND SECONDED (601/301)**

That $\frac{3}{4}$ Vote Resolution #5 be amended to require equal instalment payments on August 1, September 1, and October 1, 2020.

A poll vote was taken on the amendment and it was declared

CARRIED UNANIMOUSLY

Following discussion, a poll vote was taken on $\frac{3}{4}$ Vote Resolution #5 as amended and it was declared

CARRIED (5 votes in favour, 401 abstained)

c. **$\frac{3}{4}$ Vote Resolution #6 – Market Appraisal**

$\frac{3}{4}$ Vote Resolution #6 proposing a special levy for the purpose of obtaining a market appraisal on the property was moved by 601. Given the motion was not seconded, $\frac{3}{4}$ Vote Resolution #6 was not discussed.

14. ADJOURNMENT

There being no further business owners were thanked for their attendance and the meeting was terminated at 9:40 p.m.

MA

This is Exhibit "D" referred to in the
affidavit of Mark Goodman, affirmed before
~~me~~, 2021

June

A Commissioner for Taking Affidavits
in British Columbia

MA

llr.

1001 West 10th Street, Vancouver, BC V6H 1G1

Issue 64 | August 2020

Goodman report 2020

Mid-Year Metro Vancouver Rental Apartment Review

Jeffrey Miletekin, *Container Port 45, Long Beach, 64" x 48"*,
2018, Goodman + Jagger Collection, Vancouver.

llr.

STAYING SAFE BUT KEEPING BUSY

In this issue of the Goodman Report, we answer some of the many questions you've asked us about the rental apartment industry lately. You'll see why we believe rental is the most steadfast asset class for real-estate investors in the "new normal" environment.

Despite the pandemic, our market has been busier than usual for the summer. We've been inundated with proposals and have a multitude of active listings and pending sales. This signals a busy fall coming up for transactions.

In our sales activity since COVID-19 hit B.C., we're not seeing changes in price so far, but we've made changes in how we work with buyers and sellers, including our process for touring buildings.

Here's one wild thing we've heard and we'd like you all to watch out for it. Three clients have told us recently that they've experienced theft or fraud by their property caretakers or managers. Once we started discussing it, we

realized everyone's got a story. It seems more prevalent than one would expect. In this report, we fill you in on what we've heard.

On the financial side, the Province of B.C. has made various announcements including new repayment plans for tenants in rent arrears. In this report, we'll tell you more. Plus some very low new mortgage quotes just came in: 5-year at 1.3% and 10-year at 1.7%, both CMHC-insured.

Now before we launch in, we're excited to tell you about the new art we're displaying in large format at Goodman Commercial. As strong supporters of the visual arts, we're honoured to collect these special works by internationally renowned American photographer Jeffrey Milstein. These images of ports and golden waters inspire us with their vitality and emotive power. We hope you'll enjoy seeing them in this issue of the Goodman Report, just as we enjoy seeing them as they hang in our office.



FOR SALE

Riverport Flats

14000 & 14088 Riverport Way, Richmond

2 side-by-side waterfront apartment buildings
135 units

Asking \$50,295,000



FOR SALE

Mixed-use high-rise site

10336-64 133A St. & 13380-90 103A Ave, Surrey

1.16-acre high-density development site
Surrey City Centre

Asking \$33,800,000



FOR SALE

Mayflower Place

Corner of West 4th Ave & Stephens St

38-suite mixed-use building in the heart of
Kitsilano. C-2 zoned corner lot.

Call for price



FOR SALE

Development site

5056-5076 Earles St, Vancouver

Prior to letter in place—65 strata units proposed
Norquay Village neighbourhood

Call for price



UNDER CONTRACT

Spruce West

1089 West 13th Avenue, Vancouver

6-unit concrete apartment mid-rise
Central Fairview location

Asking \$4,750,000



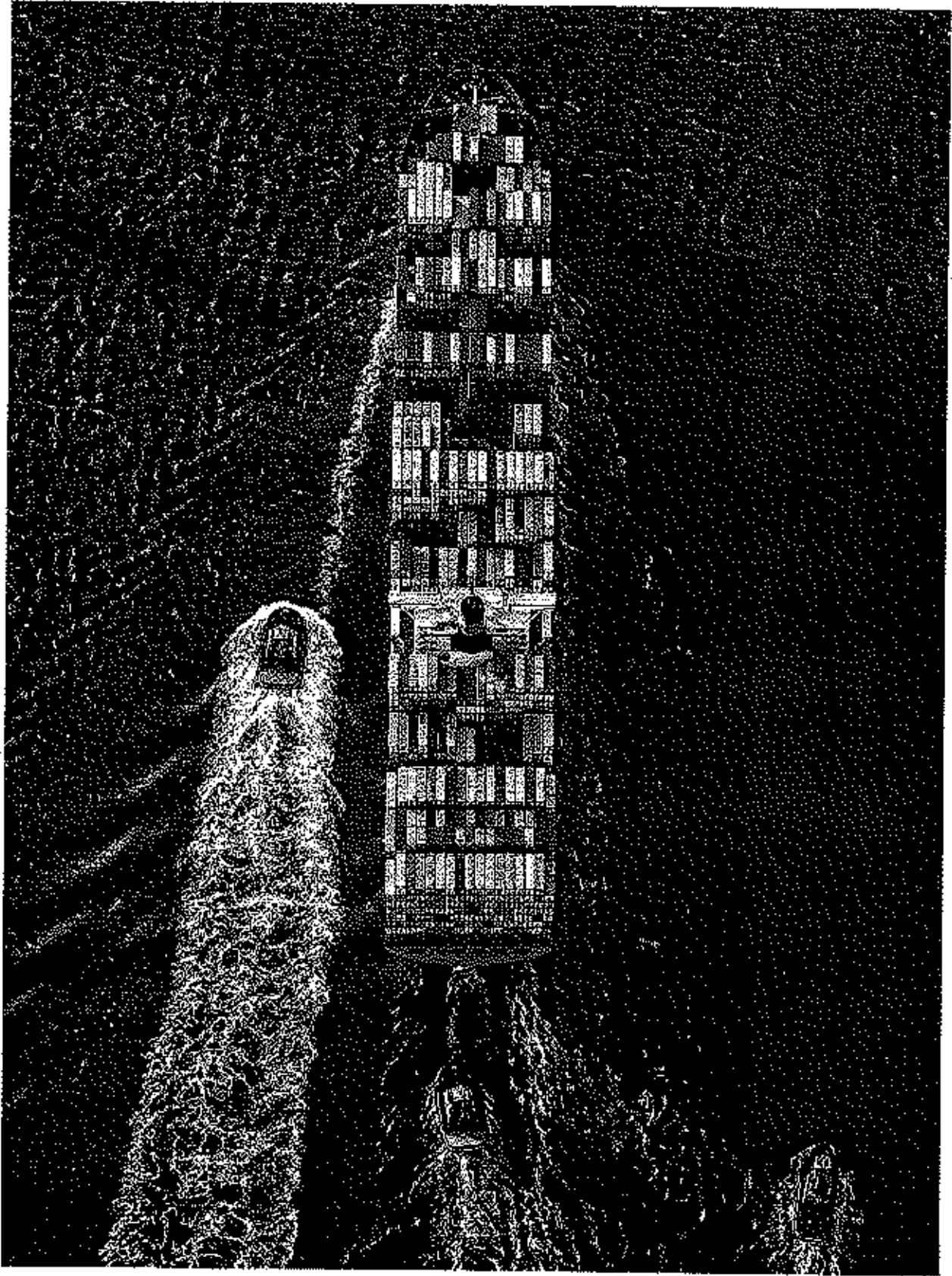
FOR SALE

646 East 44th Avenue

Vancouver

18 suites in Fraser / Main neighbourhood
\$328,000 per unit

Asking \$5,250,000



Jeffrey Minton, *Container Ship and Tugs*, Upper Bay NY, 48" x 48", 2010, Quicman + Jagger Collection, Vancouver.

MULTIFAMILY RENTALS REMAIN THE BEST BET FOR INVESTORS

You asked, we answered: The outlook for this asset class in Metro Vancouver

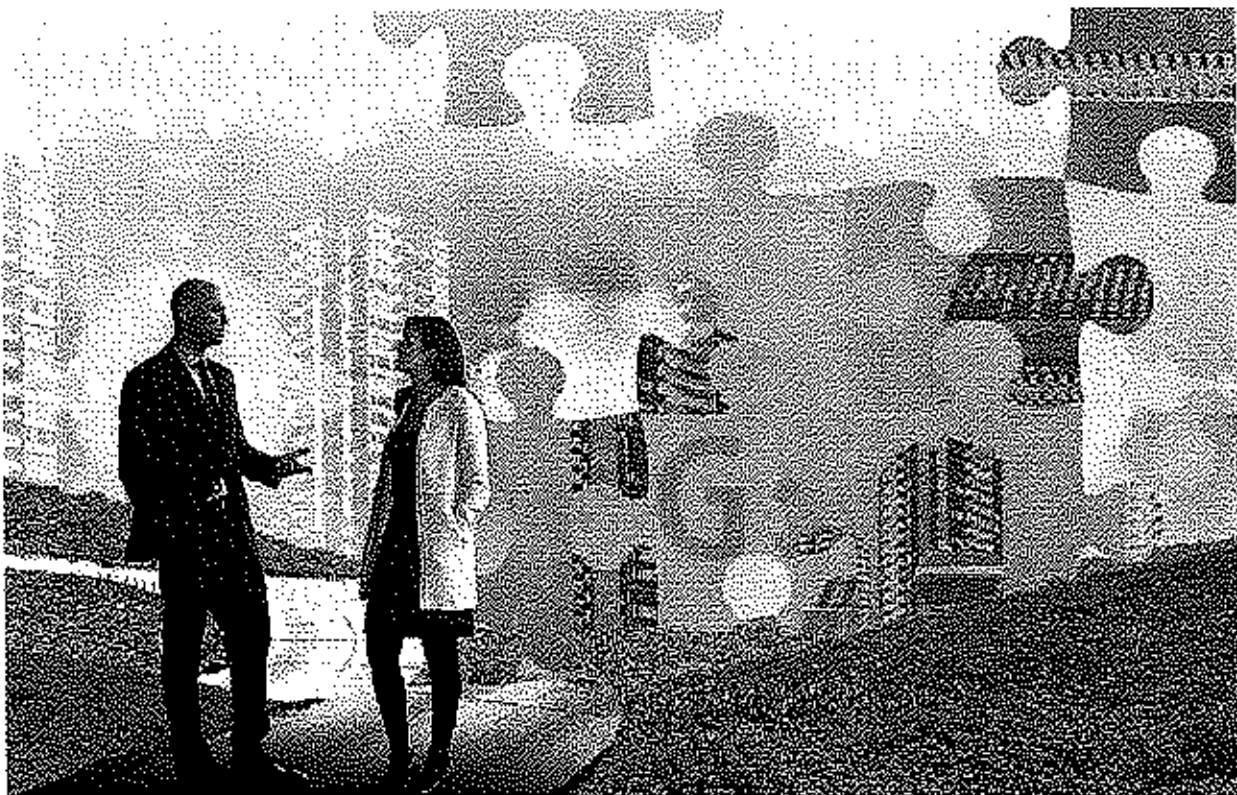
Amidst the global pandemic, Goodman Commercial Inc. sold a West End concrete rental tower for \$52 million. During this same period, Metro Vancouver's multifamily sales volume within the first quarter of 2020 increased 903 per cent from the same period a year earlier. This is compelling evidence that the region's multifamily sector remains the best bet for real-estate investors, regardless of current economic conditions.

Q: I hear cap rates are increasing. Is this true?

A: Cap rates reflect risk: the higher the risk, the higher the cap rate. This is why rates for Metro Vancouver apartment buildings have stayed consistently low over the last 15 years; the asset class is very stable. A modest increase in cap rates occurred between 2018 and 2019 because of massive government intervention; however, they remain low, around 3 per cent in Vancouver. It's premature to forecast any long-term adverse impact of the pandemic, and in fact we remain optimistic. Our recent trades have demonstrated the same pricing we forecast months ago for both land and apartment buildings.

Q: What happened in the 2008 recession to this asset class? What can this tell us about economic conditions today?

A: Multifamily saw the strongest recovery among all commercial real-estate sectors following the 2008 global financial crisis, across North America, including Canada. The total dollar volume for multifamily asset transactions was 12 per cent higher year-over-year. As the Goodman Report reported at the time, the average per-suite price for a Metro Vancouver apartment building was up 3 per cent from 2008 to 2009. In summer 2009, as an example, apartment buildings in Kitsilano sold for an average of \$318,729 "per door," 23 per cent higher than a year earlier. Following a period of lower transaction volume in Q2 and Q3 2020, we anticipate a similar increasing trend in transactions moving toward the end of this year.





Podcasts, webinars and op-eds: Oh my!

Check out some of the media we've done lately. We talk about the rental market, affordable housing, the impact of COVID-19 on real estate and more: www.goodmanreport.com/market-insights/

Q: What has the non-payment rate been for apartment buildings, from your discussions with landlords?

A: In April, according to an exclusive survey of landlords conducted by Goodman Commercial Inc., many owners of large-scale properties reported that 95 to 97 per cent of Metro Vancouver tenants paid their rent in full. Two major landlords with thousands of units in B.C. reported to us that fewer than 5 per cent of their tenants failed to pay the full rent again in May. This contrasts with the rest of the commercial sector, where about 20 per cent of retail tenants and 14 per cent of office tenants and those leasing industrial space had failed to pay the full rent since the pandemic began.

Though rental housing providers have allocated many resources to ensuring that payments are made and that buildings are operating smoothly, professionally managed buildings should have few problems attracting and retaining good tenants, of whom there are many.

Q: I hear that vacancy rates are up and that rents are declining. Thoughts?

A: In the short term, rental vacancies will likely increase. This is understandable during a pandemic, given the inability to show suites, some forced moves and doubling up due to job losses, and a reduction in the number of student rentals due to school closures and travel bans. There's also uncertainty over government policies and procedures. But this all suggests a short-term situation, similar to how we came out of the global financial downturn a decade ago. Despite the pandemic, our internal surveys show impressive stability in the local rental market. While some landlords are experiencing challenges, most are optimistic, moving forward as the economy slowly opens up.

Our take: There are still simply not enough rentals for our growing population over the longer term. Vacancy rates will remain low, and rental rates will correspondingly increase.

Q: Is new construction for rental going to decline?

A: Yes. It was already on the decline, and we fear it will fall further in many areas, despite demand and the lack of new rental options. This is due to the Byzantine regulations,

fees and planning processes that for decades have kept new market rentals from being delivered in the numbers required. It now takes an average of seven years for a Vancouver purpose-built rental project to move from permit application to construction, according to the Urban Development Institute. Given the current environment, we don't expect any sudden improvement to that scenario.

Q: What impact will the refinancing of CMHC-insured mortgages for rental properties have?

A: CMHC is the only provider of mortgage insurance for multifamily (five units or more) apartment buildings in Canada. Generally, the agency has been a positive influence. Announced on May 28, this change limits the existing equity take-out to spending on rental housing. New purpose-built rental housing construction is exempt, however. In all other cases, equity take-outs can be used for buying another rental property, making capital improvements to an existing rental property, providing funds for construction of a rental property or repaying existing debt.

We anticipate that this change will have a minor effect on most multifamily landlords, many of whom take advantage of the very low mortgage rates afforded by CMHC insurance. However, CMHC is in consultation with the multifamily industry, and more modifications may be forthcoming as details are slim at this time. We'll report on any meaningful information as it becomes available.

Q: What's your outlook for Metro Vancouver's multifamily market?

A: Sales volume of multifamily apartment buildings in Metro Vancouver increased 903.8 per cent in the first quarter of 2020 to \$623 million, when compared with Q1 of 2019, as reported by the Real Estate Board of Greater Vancouver. This was the greatest increase of any commercial real-estate sector within the equivalent period. Various factors – high immigration, an increase in young tech workers, a demographic move towards downsizing, the continued financial barriers to home ownership, low interest rates, a desire to move cash into hard assets, and the slow delivery of new rental supply – will continue to keep Metro Vancouver multifamily investment the best bet for investors in 2020 and beyond.

BUILDING MORE RENTAL HOUSING IS A WIN-WIN FOR CITIES AND PEOPLE

For civic leaders there's a route through the housing crisis, but it requires more innovative thinking and a reversal of tired policies

COVID-19 has exposed Metro Vancouver's municipalities to intense financial pressure, as civic facilities have shut down and tax revenues have declined. The City of Vancouver has projected a \$152-million loss for 2020. Coquitlam says its operating deficit could reach \$6.5 million this year. Surrey forecasts a budget shortfall of up to \$42 million. Many other municipalities are in the same boat.

At the same time, the rental housing shortage is stark. The pandemic temporarily derailed a recovering housing market, with sales down 50 per cent in April from a year earlier. Since that time, transaction volumes have increased significantly; June and July have fared exceptionally well as people jump back into the housing market, with July being the strongest level of sales in 3 years as reported by the Greater Vancouver Real Estate Board. From our discussions with industry stakeholders, the effects of COVID from a financial perspective have been harder felt by those at the lower end of the income brackets. The simple truth is that many tenants who would have become homeowners have remained and will remain renting for some time to come as the economy recovers.

For civic leaders, there's a route through this crisis, but it requires more innovative thinking and a reversal of tired policies.

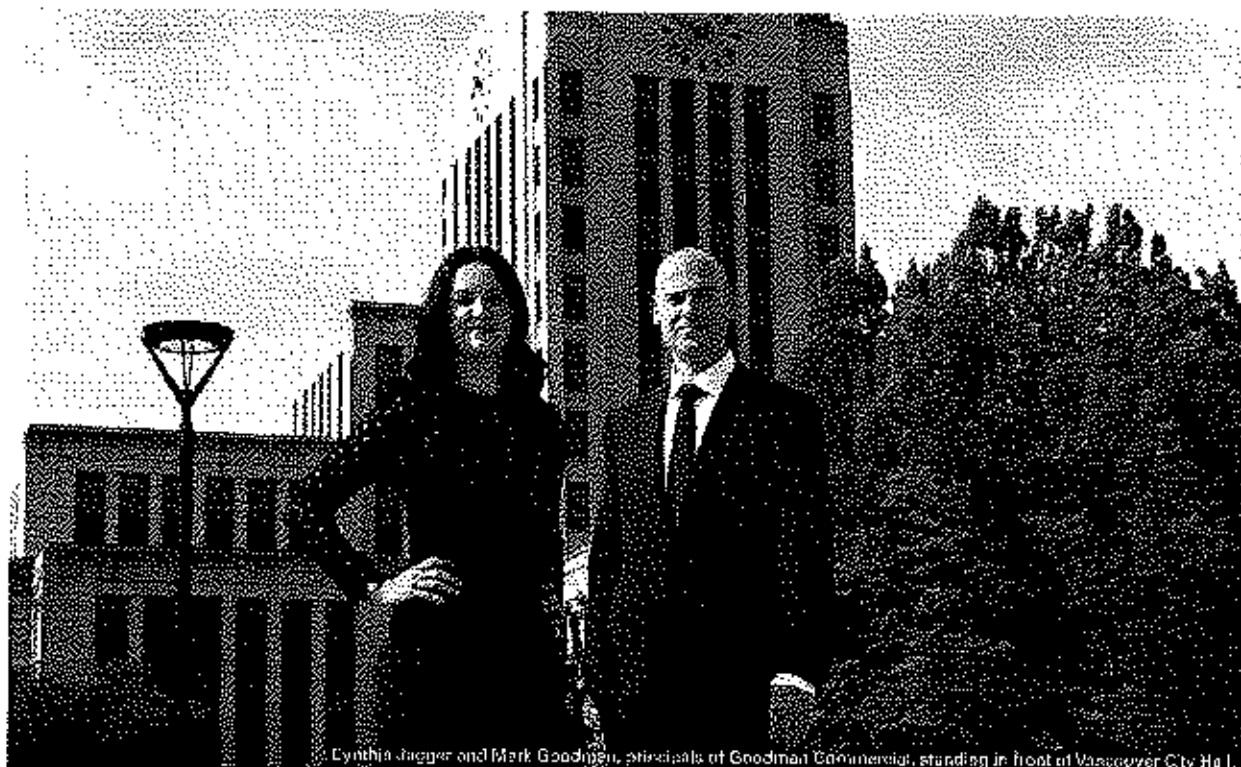


Three years ago, when Metro Vancouver was seeing a spike in home prices, three tiers of government intruded into the market with myriad policies to weaken demand. These included the world's highest foreign home buyer tax, the mortgage stress test, an increased property transfer tax on higher-value properties, rental-only zoning used to downzone demand in some municipalities, and the addition of school and speculation taxes on development land.

The interventions temporarily chilled housing sales, but they've largely failed in their quest to address the housing shortage or meet a reasonable person's definition of affordability. In June 2020, Metro Vancouver home prices were at a composite benchmark of \$1.025 million: 2.7 per cent higher than in June 2017. The rental vacancy rate remains at around 1 per cent, rental rates have increased, and – most troublingly – new rental construction has fallen. According to CMHC, in April only 257 new rental units started construction in the Metro region, down from 775 in the same month last year. Only 372 rental apartments have started in the City of Vancouver so far in 2020, down from 954 at the same time last year. And rental starts could fall further.

In a special housing report released May 27 in reaction to the pandemic, CMHC's CFO Bob Dugan forecast that B.C. housing starts could fall up to 50 per cent this year and that housing sales would decline 31 per cent, compared to a year ago. This could translate into both lower supply and higher demand for rental units across Metro Vancouver.

Because of the pandemic's impact on incomes, some tenants may retreat from the rental market in the short term (doubling up or moving back in with family), but they'll eventually make it back into the rental pool. The *Vancouver Courier* reported July 24th, 2020, that "at least 1.5 million Canadians have moved back in with their parents, according to a national survey by Finder.com." First-time buyers have traditionally made up 51 per cent of homebuyers, but that fell to less than 47 per cent in 2019, according to the Canadian Real Estate Association. Now an even larger number of potential first-time buyers will remain renters this year. This is especially true in Vancouver, which has Canada's highest housing costs.



Cynthia Jagger and Mark Goodger, principals of Goodman Commercial, standing in front of Vancouver City Hall.

The only solution to higher rental demand is quickly to increase the supply and availability of additional housing options.

It's time for policy to fast-track the planning, approval and construction of rental units across Metro Vancouver. Municipalities need to amend existing processes to get more rentals built faster.

But how?

The City of North Vancouver provides some clues. With a population of fewer than 60,000, North Van accounted for 20 per cent of all the rental housing starts in Metro Vancouver through the first four months of this year. Furthermore, the majority of its 346 new rental apartments started are aimed at moderate incomes. To create incentives for rental, the City provides a density bonus for rental housing projects, waives community amenity contributions for purpose-built rentals and reduces parking requirements. Vancouver and other municipalities have similar incentives but see fewer rental starts per capita. Clearly, more could be done, and it starts with slashing through the civic bureaucracy surrounding the delivery of units.

Some ideas to increase the number of rental projects in Vancouver's pipeline:

1. Eliminate enquiry required for rezoning

We endorse Mayor Kennedy Stewart's recommendation of May 10, 2020 to eliminate the need for a rental developer to submit an enquiry to the City before filing a rezoning application. The rezoning enquiry isn't mandated by either the Vancouver Charter or the City's zoning and development bylaw. Introduced five years ago to streamline the process, this step now often involves hundreds of pages of correspondence and takes a year or more to complete, rental developers say.

2. Eliminate public hearings for conforming rental projects

Vancouver and other cities should eliminate public hearings during rezoning applications for rental projects that already conform to local area plans and city policies. Even if a development checks all the boxes, it can be delayed for months and/or truncated in size during public hearings that can be dominated by "not-in-my-backyard" speakers. We've seen this play out before, and we'll see it again.

A recent report by Altus Group shows that nearly three-quarters of Vancouver rental development applications submitted in 2017 were still being studied as of the end of 2019!



Geo-Ann Apartments

310 East 13th Avenue, Vancouver

26 suites in Mount Pleasant

Corner lot only one block east of Main

Asking \$10,800,000



Hawthorne at Timber Court

2670 Library Lane, District of North Vancouver

Brand new luxury apartment building

75 suites in the heart of Lynn Valley

Call for price



Six-storey rental site

Corner of Main & East 33rd, Vancouver

18,487 SF multi-family development site

Plans submitted — 69 units proposed

Call for price

3. Bring on incentives, including GST waiver

Incentives go a long way and may need to increase, given the new normal. Savings on fees — both municipal and regional — would aid in making projects feasible. A GST waiver would be the single most significant way to get more rental housing built on a national basis.

4. End moratorium on demolitions of older rentals

We continue to advocate for an end to the moratorium on the demolition of older rental stock. This moratorium is still in place in Vancouver and some other jurisdictions after more than a decade. The majority of the Metro Vancouver rental stock is more than 50 years old and in dire need of upgrades. Allowing its replacement would encourage construction of modern, more sustainable projects with increased rental units; for instance, ones made from sustainable B.C. wood, which are now allowed for structures up to 12 storeys.

Metro Vancouver needs to build at least 30,000 new rental units over the next two years to balance supply with demand, according to 2019 data from GWL Realty Advisors. Starting even half of these units would put us at least somewhat on the way to a future with new rentals instead of aging low-density buildings and basement suites.

While challenging us all, COVID-19 opens a door to think again — to switch from the failed emphasis on reducing demand to a fresh approach on increasing construction of new rentals. Many projects that may have previously pencilled could sit idle, especially in light of changing parameters and a lack of construction cost reductions. While the focus should be on improving the rental inventory, any increase in multi-family housing will aid tenants since, in many areas of Metro Vancouver, a quarter of condominiums become rental units.

Even amidst COVID-19, there's a chance to alter Metro Vancouver's rental housing woes significantly as we move forward. Who's willing to step up?

Property management: Is crime on the rise?

Recently, three different clients have told us they've experienced theft or fraud from property caretakers or managers, in some cases, going undetected for years.

Some examples we've heard:

- Pocketing cash payments made for parking while telling the owner that there was no charge for stalls.
- Having tenants move in and pay the manager in cash for the first few months, while telling tenants that the owner doesn't have direct deposit set up yet and telling the owner that the suite isn't rented yet.

- Rent rolls show many vacant units, but when touring the building, all suites full.
- Billing fraud: Double-billing for cleaning; double-billing for odd jobs; getting two roofing companies to bill for work completed; submitting receipts for supplies that are not on site, etc.

We're not sure how common these irregularities are, so we wouldn't necessarily go so far as to call them trends. That said, we're in very unusual times, so please do be mindful of monitoring your properties. Additionally, hiring a firm to benchmark your expenses vs. the market can illuminate any irregularities which can then be investigated further.

YEAR-TO-YEAR COMPARISON

Metro Vancouver transactions and dollar volume down; prices up

The numbers are in. Time to update you on Metro Vancouver's multifamily market, comparing the first half of this year's sales activity with the same period last year.

As suspected, following an active first quarter, the number of overall transactions was down in the first half of 2020, due in large part to being hit with COVID-19 in March. One of the challenges to selling buildings in the second quarter involved the access restrictions imposed upon the rental industry (which were necessary at the pandemic's outset). These restrictions have since been lifted. We are now seeing a positive change in sentiment in B.C and a resurgence in sales activity as buyers and sellers get back to business.

At mid-year 2020, Metro Vancouver witnessed a 36% decline in the number of apartment building transactions as compared to the first half of 2019. City of Vancouver sales activity was generally on par with the prior year,

however, it was the suburbs which experienced a significant decline, putting the overall figures into the red.

Total dollar volume overall was only down 7% as compared to last year for all of Metro Vancouver. But in looking at the City of Vancouver and the suburbs separately – the city itself actually showed a large increase in volume up to \$383 million – a 193% increase from a year earlier. This is due to four major concrete high-rise transactions. The suburbs, on the other hand, declined 73% in terms of total volume, to \$106 million.

The average price per unit for Metro Vancouver increased by 20% to \$442,000, but again, we must look at the city and the suburbs separately to understand the trends – the City of Vancouver was up 23%, while the suburbs were down 22% on average. City neighbourhoods, especially East Vancouver, saw dramatic increases on average price per unit values which is due to one large new construction

transaction which skewed the average considerably. A further high-rise in Kerrisdale featured infill potential which also skewed price per unit averages upwards for the Westside. Additionally, we suspect that the suburbs experienced an overall decline in value due to the slow down of properties being purchased as development sites. Municipal policy shifts and provincial taxes dampened land acquisitions. For example, Burnaby implemented complicated, burdensome redevelopment policies such as an aggressive tenant relocation program, threats of vacancy control, cumbersome and opaque policy changes as well as a rezoning application freeze. This resulted in major declines in sales activity.

While the first half of 2020 was a tale of two quarters, we can safely say that activity has picked up in July and August this year. Based upon this resurgence, we would anticipate an upswing in sales by year end, with values holding steady.

And, finally, we are proud to say that Goodman Commercial closed more apartment building transactions in Metro Vancouver (9 in total) than any other commercial real estate firm in the first six months of 2020*. We continue to be grateful for the opportunity to assist our clients through the sales process and to put our ever increasing knowledge and experience to work for this complex and amazing industry. Please feel free to call Mark or Cysthia to discuss further.

* Based upon Realnet search January 1, 2020 to June 30, 2020 for apartment buildings sales in Metro Vancouver



ACTIVITY HIGHLIGHTS: 2020 COMPARED TO 2019

First six months | January 1 to June 30, 2020

Building transactions	2020	2019	% change
Vancouver	17	18	-6%
Suburbs	10	24	-58%
	27	42	-36%

Number of suites sold	2020	2019	% change
Vancouver	722	304	+138%
Suburbs	386	1,131	-66%
	1,108	1,435	-23%

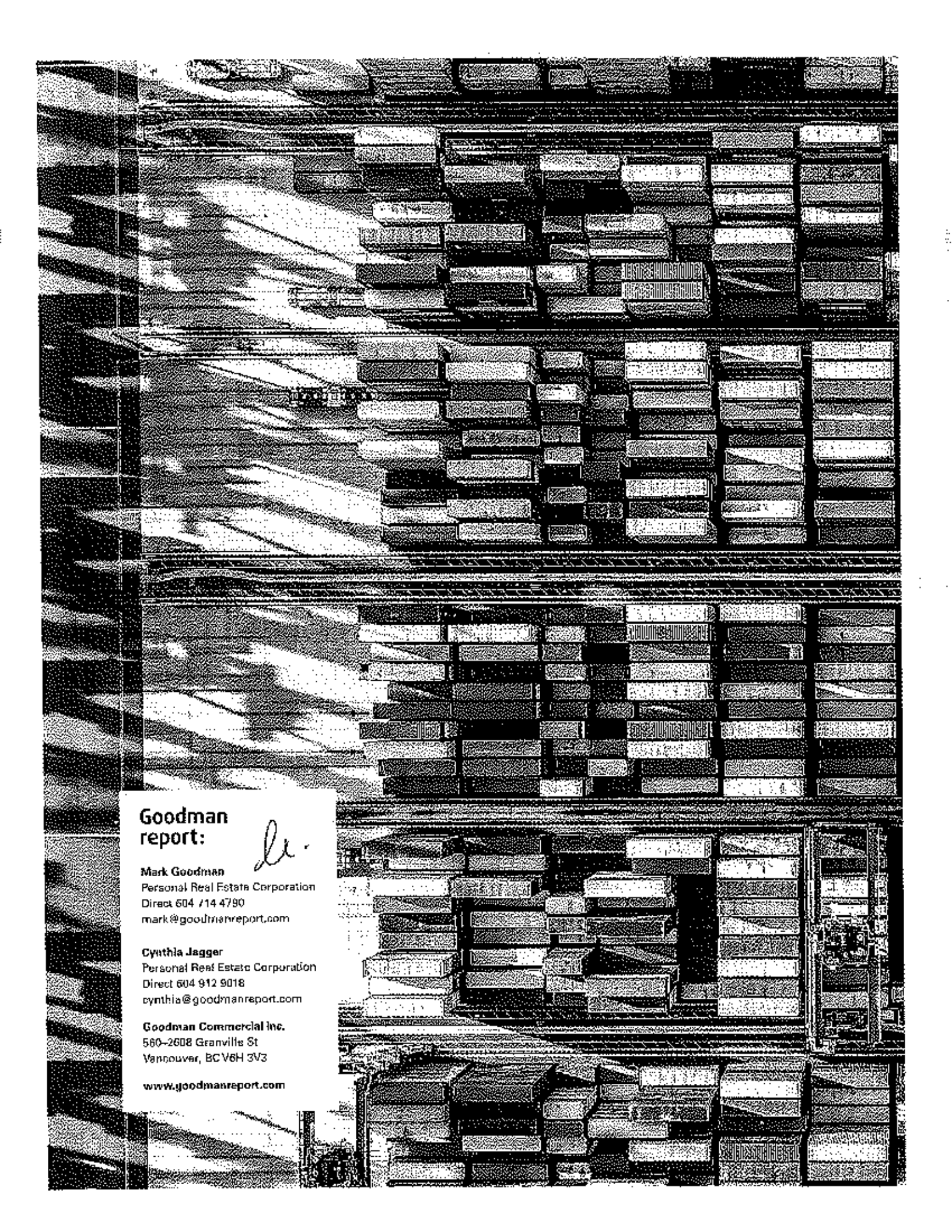
Dollar volume	2020	2019	% change
Vancouver	\$383,390,000	\$131,025,125	+193%
Suburbs	\$106,470,000	\$397,543,400	-73%
	\$489,860,000	\$528,568,525	-7%

Avg \$/suite	2020	2019	% change
Vancouver	\$531,011	\$431,004	+23%
Suburbs	\$275,829	\$351,497	-22%
	\$442,112	\$368,340	+20%

Building transactions

Average price

City	2020	2019	2020 \$/suite	2019 \$/suite	% change
Vancouver					
Eastside	4	8	\$546,559	\$392,802	+39%
Kerrisdale	1	0	\$804,598	N/A	N/A
Kitsilano	1	3	\$420,000	\$528,871	-21%
South Granville	2	2	\$470,370	\$521,895	-10%
Marpole	1	4	\$305,000	\$346,639	-12%
West End	8	0	\$474,966	N/A	N/A
Suburbs					
Burnaby	1	5	\$500,000	\$549,003	-9%
New Westminster	2	5	\$268,927	\$214,840	+25%
North Vancouver	1	7	\$373,000	\$588,103	-37%
Surrey	1	3	\$188,889	\$185,430	+2%



**Goodman
report:**

li.
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cynthia@goodmanreport.com

Goodman Commercial Inc.
560-2608 Granville St
Vancouver, BC V6H 3V3
www.goodmanreport.com

This is **Exhibit "E"** referred to in the affidavit
of Mark Goodman, affirmed before me on
June , 2021

A Commissioner for Taking Affidavits
in British Columbia

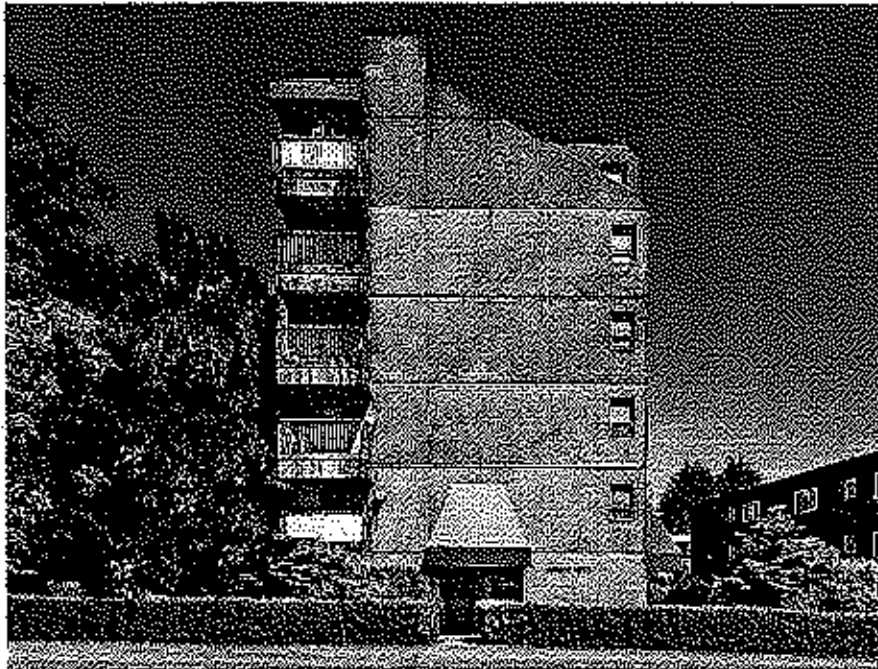
A handwritten signature in cursive script, appearing to be the initials 'G' followed by a flourish.

Goodman: UNDER CONTRACT

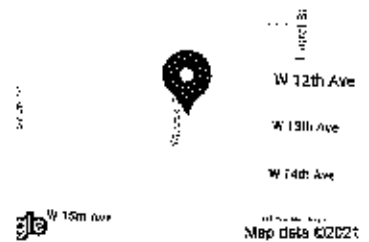
Spruce West

1089 West 13th Avenue, Vancouver

\$4,750,000



Location



1089 West 13th Avenue
Vancouver

Contact

Mark Goodman

Personal Real Estate
Corporation
mark@goodmanreport.com
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Cynthia Jagger

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Goodman Commercial Inc.

560-2608 Granville St
Vancouver, BC V6H 3V3

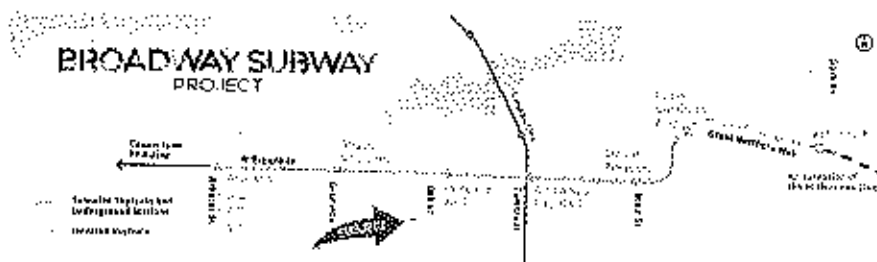
Price	Property type	Units
\$4,750,000	Concrete mid-rise	6
Stores	Net rentable area	Year built
6	5,738 SF	1977
Lot size	Zoning	Price per unit
99.93' x 62.51' (6,246 SF)	RM-3	\$791,667
Parking	Price per SF	
6 underground + surface	\$827	

Overview

Spruce West is a 6-unit, 6-storey concrete multi-family strata building located in Vancouver's popular Fairview neighborhood. Built in 1977 on a 6,250 SF corner lot, **the building comprises one large unit per floor (avg. 956 SF)** each with 1 full bathroom and 1 powder room. Other building features include balconies, storage (6 lockers), elevator services, 6 underground parking stalls and surface parking. The top floor unit also features a large patio roof top deck with panoramic views of the North Shore Mountains, False Creek and Vancouver's urban landscape.

This is a court-ordered strata wind-up sale. The 6 strata lots are owned by 5 separate owners (2 strata lots are owned by the same owner). Four strata lots are owner-occupied; 1 is rented out and 1 is vacant.

Spruce West is situated in the Broadway Corridor Plan Study Area, only 465 metres within the future Fairview-VGH SkyTrain Station. The City has undertaken a two-year planning program in order to devise a new Area Plan anticipated for Council's consideration in late 2020. The plan will focus on opportunities to integrate development around the Millennium Line Broadway Extension among other key goals.



lu

Deferred Maintenance

In March 2018, the strata corporation obtained a building envelope condition assessment from a local engineering firm that determined building envelope repairs estimated to cost \$1,110,000 were required. A second opinion report was obtained by another local engineering firm in December 2018 that suggested the building envelope repairs could be done in 3 phases over a number of years at a total estimated cost of \$1,680,525. No building envelope repairs have been completed thus far. It is reported there are ongoing active water ingress issues.

In June 2019, the City of Vancouver issued a Work Order requiring structural improvements and fire stopping to the 2 stairways in the building—no work has been done to resolve this issue. With the City's knowledge, an engineering firm was retained to provide an opinion on the condition of the stairways. Based on the engineer's opinion that the stairways are an immediate life safety issue, steps are being taken to install shoring in the stairways to eliminate the life safety issue along with fire stopping work to be completed as well.

Value-Add Options

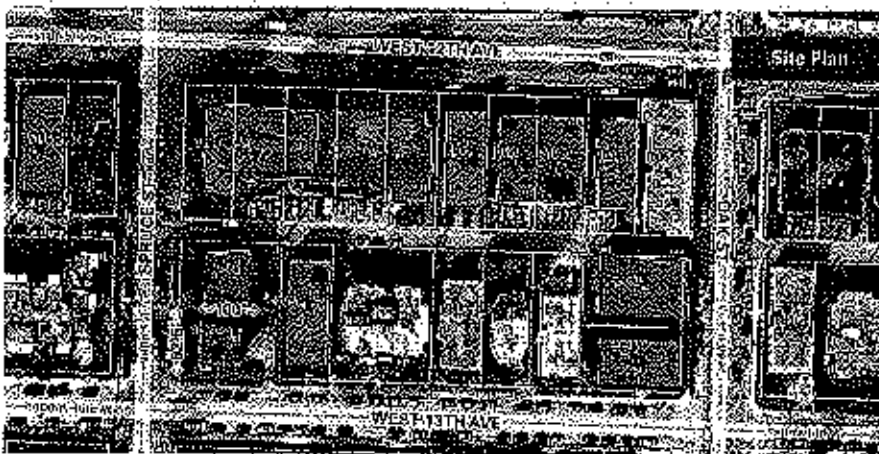
1. Perform a renovation as required and hold as a 6-unit mid-rise rental building;
2. Renovate the building and sell off the condo units individually;
3. Demolish the building and redevelop as a condo or rental project.



Location

Spruce West is located in Vancouver's Fairview neighbourhood, situated in a walker's paradise just 4 blocks west of Granville Street on the northeast corner of Spruce St and W 13th Ave. West Broadway and West 12th Avenue form the major east-west traffic arteries across the city (direct bus access to UBC), while Granville Street is the major nearby north-south traffic corridor which provide access to and from the downtown core and South Richmond (YVR).

Public transportation and shopping is available in the immediate area just steps away along Granville Street and West Broadway. South Granville's prime retail corridor is one of Vancouver's trendiest shopping destinations and offers tenants easy access to numerous amenities, art galleries, coffee shops, restaurants, banks and theatre, to name a few.

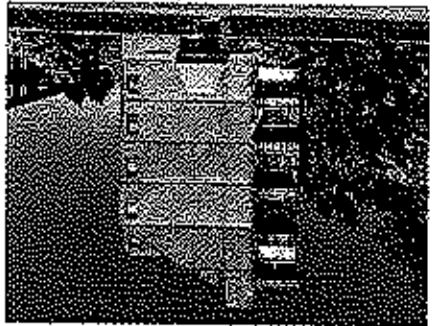
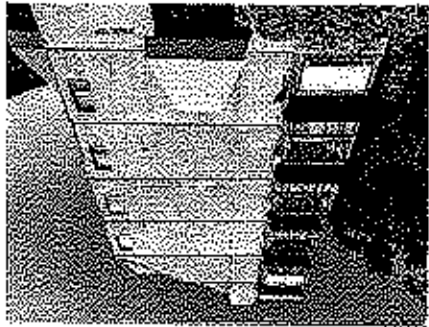
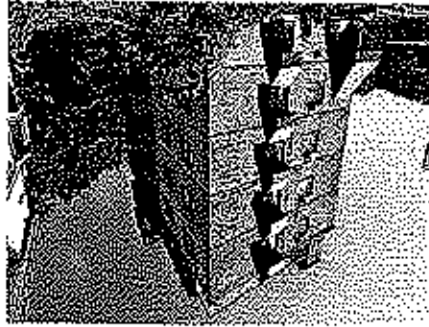
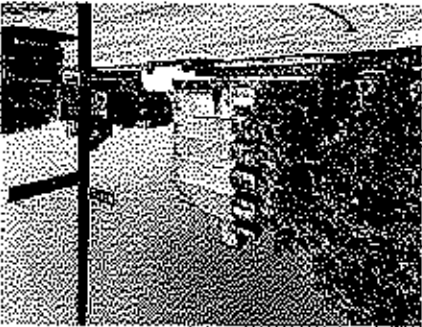
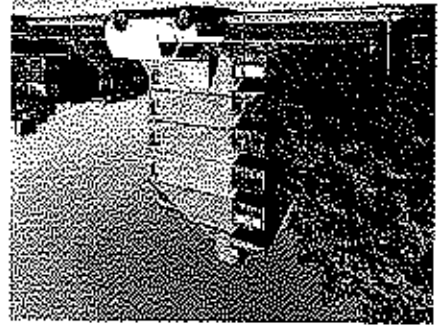
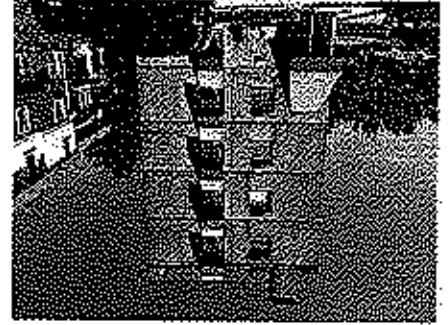


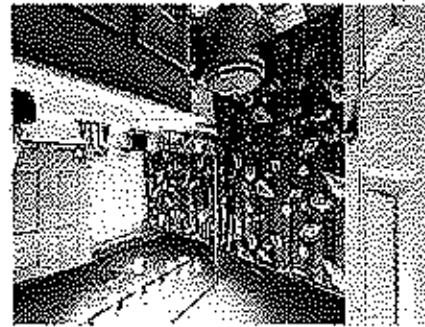
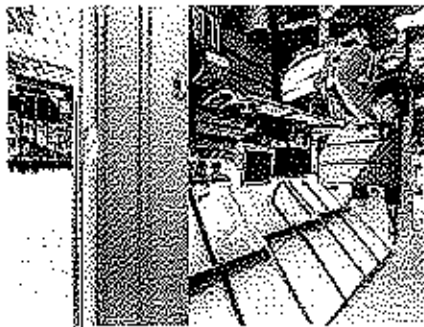
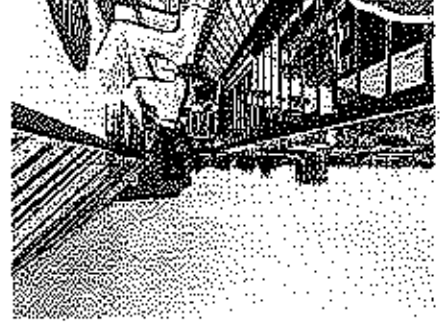
Legal Description

Strata Lots 1 – 6, District Lot 526, Strata Plan VR. 456, together with an interest in the common property in proportion to the unit entitlement of the strata lot as shown on Form 1.

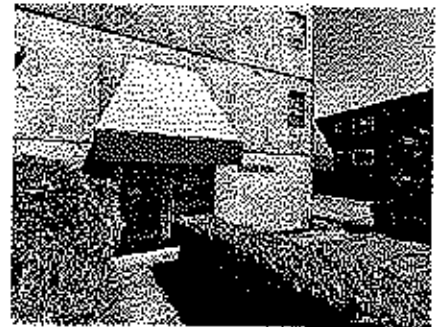
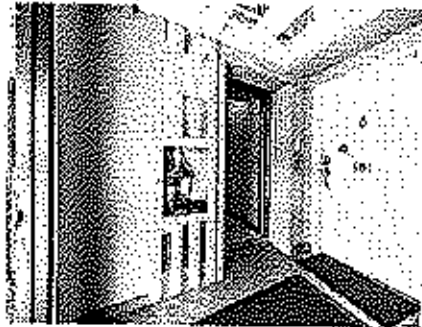
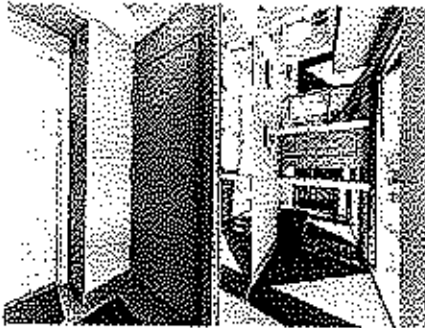
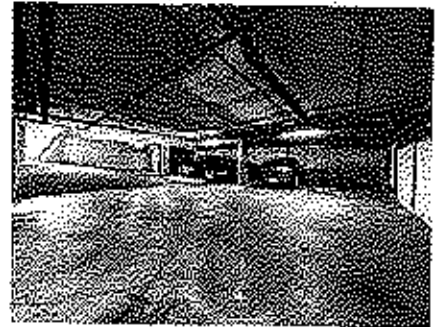
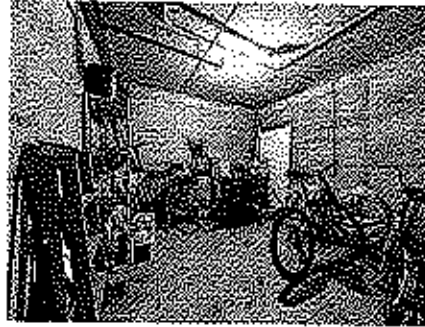
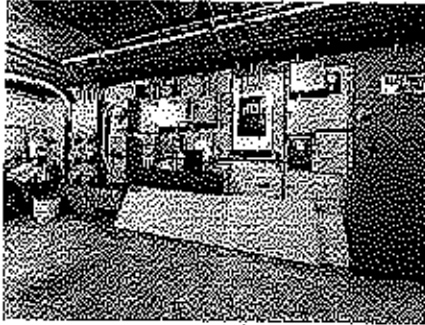
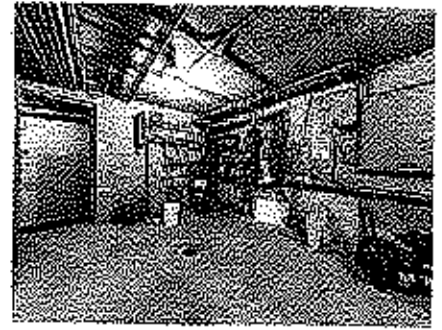
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This is Exhibit "F" referred to in the affidavit
of Mark Goodman, affirmed before me on
June , 2021

A Commissioner for Taking Affidavits
in British Columbia



Goodman:

goodmanreport.com

Goodman Commercial Inc. Mark Goodman • (604) 714 4790
 565-250 Granville St, Vancouver BC Cynthia Jaggard • (604) 912 5018
* Provided Real Estate Companies

NEW

MAYFLOWER PLACE
 Corner of West 4th Ave & Stephens St
 20+ new mixed-use building in the heart of
 Kitsilano. 2-2 town: corner lot.
 Call for price



NEW

NORTH PARK APARTMENTS
 1032 North Park Street, Victoria
 11-unit, 4-storey apartment building
 54' in 2016. 3.6% cap rate.
 \$4,188,000



NEW

DEVELOPMENT SITE
 5064-5076 Barkley Street, Vancouver
 Prime location, close to 49th St, Jervis
 proposed. Company will sell rough build.
 Call for price



RIVERPORT FLATS
 14900 & 14028 Riverport Way, Richmond
 2 stories, 400 water front apartment
 building, totaling 135 units
 \$50,200,000

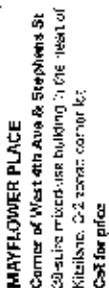


MIXED-USE HIGH-RISE SITE
 1432-1434, 1436 St. & 14880-50 149th Ave, Surrey
 115,000 sq ft water front commercial site
 also development site in Surrey. City Center
 \$33,950,000

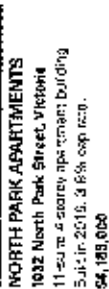


NEW

INVESTMENT PROPERTY
 1222 East 12th Avenue, Vancouver
 Completely renovated. Open to the
 public. Great Pleasant neighbourhood.
 \$1,999,000

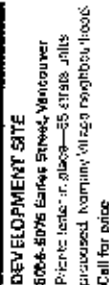


HAWTHORNE AT TIMBER COURT
 District of North Vancouver
 New purpose-built rental apartment
 building. 300,000 sq ft in 100,000 sq ft
 Call for price



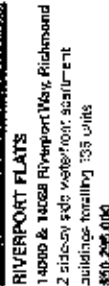
UNDER CONTRACT

SPRUCEWEST
 1088 West 19th Avenue, Vancouver
 Great opportunity to invest in
 One large suite per floor.
 Listed \$4,750,000



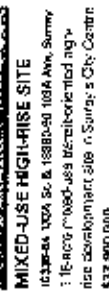
UNDER CONTRACT

648 EAST 44TH AVENUE
 Vancouver
 16 suites in Main neighborhood
 \$328,000 per unit
 Listed \$5,250,000



UNDER CONTRACT

GEO-ANN APARTMENTS
 310 East 13th Avenue, Vancouver
 26 suites in Mount Pleasant
 Center lot, only one block east of Main
 Listed \$10,800,000



NEW

FOR SALE

2020 King George Blvd, Surrey
 Zuber Jamal, Chris van Vliet
 • Blasting with +/- 15,700 sq ft of
 retail/light industrial space and +/-
 7,076 sq ft of second floor, mezz
 space +/- 4.9% cap rate 4.5/5.0



FOR SALE

821 Brunette Avenue, Coquitlam
 Scullis Savco
 • +/- 6,209 sq ft (allows up to
 10,002 sq ft building) of industrial
 building with second floor
 mezzanine and ample yard space.



FOR SALE

750 Powell Street, Vancouver
 Cory Wright, David Hennings
 • This two storey building consists of
 space for warehouse, storage, and
 office with 2 bath-rooms +/- 2,875
 sq ft in loc size.



FOR SALE

2948 272nd Street, Langley
 Chris van Vliet
 • Presiding building consist
 of 996 sq ft of second floor
 residential space and 1,826 sq ft
 of commercial space.



UNDER CONTRACT

UNDER CONTRACT



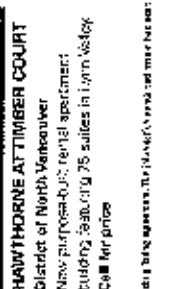
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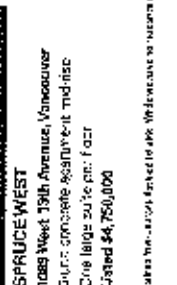
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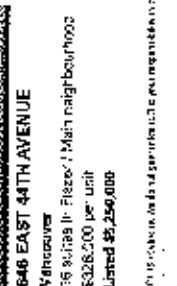
UNDER CONTRACT

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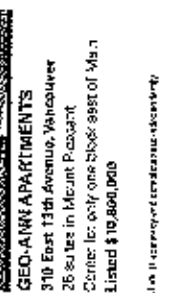
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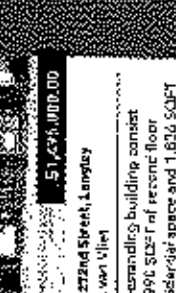
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Handwritten signature

Goodman:

goodmanreport.com

Goodman Commercial Inc. Mark Goodman* (604) 714 4790
 600-2608 Granville St, Vancouver BC Cynthia Jaggar* (604) 912 9018
* Personal Real Estate Consultant



DAVID APARTMENTS

2012 Comwall Avenue, Vancouver
 20+ suite apartment building... steps to Kits
 Beach. 11,800 SF corner lot.
 Call for price



MAYFLOWER PLACE

Corner of West 4th Ave & Stephens St
 38+ suite mixed-use building in the heart of
 Kitsilano. C-2 zoned corner lot.
 Call for price



DEVELOPMENT SITE

5056-5078 Eardley Street, Vancouver
 Photo letter in place -- 65 strata units
 proposed. Nearby Village neighbourhood.
 \$16,800,000



MIXED-USE HIGH-RISE SITE

1036-64 132A St. B. 13900-90 703A Ave, Surrey
 1.16-acre mixed-use transit-oriented high-rise
 development site in Surrey's City Centre
 \$33,900,000



NORTH PARK APARTMENTS

1032 North Park Street, Victoria
 11-suite 4-storey apartment building.
 Built in 2016. 3.8% cap rate.
 \$4,165,800



CASA JUBILEE

1955 Jubilee Avenue, Victoria
 21-suite well-maintained apartment building.
 15 blocks from the Royal Jubilee Hospital.
 \$6,275,000



RIVERPORT FLATS

14000 & 14068 Riverport Way, Richmond
 2 side-by-side waterfront apartment
 buildings totaling 135 units
 \$50,286,000



SIX-STORY RENTAL SITE

Corner of Main & East 33rd, Vancouver
 18,487 SF multi-family development site.
 Plans submitted -- 68 units proposed.
 Call for price



SPRUCE WEST

1089 West 13th Avenue, Vancouver
 8-unit concrete parking garage mid-rise.
 One large suite per floor.
 Listed \$4,750,000



646 EAST 44TH AVENUE

Vancouver
 16 suites in Fraser / Main neighborhood.
 \$328,000 per unit.
 Listed \$5,260,000

This report is provided for informational purposes only. It is not intended to constitute an offer of real estate services. The information contained herein is for informational purposes only. It is not intended to constitute an offer of real estate services. The information contained herein is for informational purposes only. It is not intended to constitute an offer of real estate services.

Handwritten signature or initials.

Goodman Commercial Inc. Mark Goodman* (804) 714 4790
 560-2608 Granville St, Vancouver BC Cynthia Jagger* (604) 912 9078
 * Personal Rep. Equal Opportunity



THE EDGEWATER
 1065 Pacific Street, Vancouver
 West End development opportunity.
 Improved with a 30-suite rental building.
\$19,950,000



HIGH-DENSITY M2-ZONED SITE
 1357 & 1436 Powell Street, Vancouver
 1.6 acres in East Vancouver's port industrial
 area. Up to 5.0 FSR. Stable cash flow.
\$35,000,000 (reduced gain)



DAVID APARTMENTS
 2012 Cornwall Avenue, Vancouver
 20-suite apartment building - steps to Kits
 Beach. 11,800 SF corner lot.
\$10,800,000 (reduced \$1M)



NORTH PARK APARTMENTS
 1032 North Park Street, Victoria
 17-suite 4-story apartment building
 Built in 2018 - 4.1% cap rate.
\$3,990,000 (reduced \$150k)



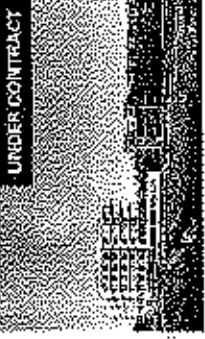
MAYFLOWER PLACE
 Corner of West 4th Ave & Stephens St
 28-suite mixed-use building in the heart of
 Kitsilano. C-2 zoned corner lot.
Call for price



SPRUCE WEST
 1089 West 13th Avenue, Vancouver
 6-unit concrete apartment building.
 One large suite on 1st floor.
\$4,750,000



CASA JUBILEE
 1855 Jubilee Avenue, Victoria
 21-unit well-maintained apartment building.
 1.5 blocks from the Royal Jubilee Hospital.
\$6,275,000



RIVERPORT FLATS
 14900 & 14088 Riverport Way, Richmond
 2 side-by-side waterfront apartment
 buildings totaling 136 units.
\$50,295,000



CHELSEA VISTA
 2072 West 3rd Avenue, Vancouver
 10 suites in the heart of Kitsilano.
 City, water and mountain views.
Listed \$4,500,000



CONNIE LYNN APARTMENTS
 1885 West 8th Avenue, Vancouver
 8 suites in Kits. One block from future
 Arbutus Skytrain Station.
Listed \$4,200,000

This information is intended to cause a real estate offering. This information should not be used as a basis for investment. While we have taken every effort to ensure the accuracy and completeness of the information, we do not warrant its accuracy. We do not represent that it is a professional liability or other form of insurance. We do not represent that it is a professional liability or other form of insurance.

Goodman:

goodmanreport.com

Goodman Commercial Inc. Mark Goodman* (604) 714 4790
260-2608 Granville St, Vancouver BC Cynthia Jagger* (604) 912 3018
* Present: First Estate Corporation



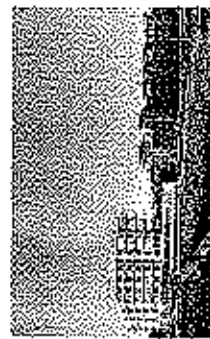
MAYFLOWER PLACE
Corner of West 4th Ave & Stephens St
3B-suite mixed-use building in the heart of
Kitsilano. C-2 zoned normal lot
Call for price



NORTH PARK APARTMENTS
1032 North Park Street, Victoria
17-suite 4-storey apartment building.
Built in 2016. 3.8% cap rate.
\$4,186,000



DEVELOPMENT SITE
5055-5976 Earles Street, Vancouver
Priced to sell in a sub-65 strata units
proposed Arroyo Village neighborhood.
Call for price



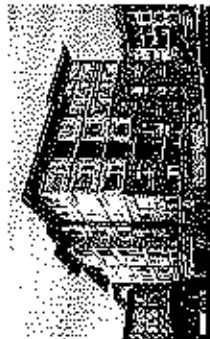
RIVERPORT FLATS
14000 & 14088 Riverport Way, Richmond
2 side-by-side waterfront apartment
buildings totalling 135 units
\$50,295,000



MIXED-USE HIGH-RISE SITE
10335-64 133A St. & 13360-90 103A Ave, Surrey
1.16-acre mixed-use transit-oriented high-
rise development site in Surrey's City Centre
\$33,800,000



INVESTMENT PROPERTY
1222 East 12th Avenue, Vancouver
Completely renovated "corner to the
streets" Mount Pleasant neighbourhood.
\$2,999,000



HAWTHORNE AT TIMBER COURT
District of North Vancouver
New purpose-built rental apartment
building featuring 73 suites in Lynn Valley.
Call for price



SPRUCE WEST
1088 West 13th Avenue, Vancouver
6-unit concrete apartment mid-rise
One large suite on 4th floor
Listed \$4,790,000



646 EAST 44TH AVENUE
Vancouver
16 suites in Fraser / Main neighborhood
\$328,000 per unit
Listed \$5,250,000



GREGO-ANN APARTMENTS
310 East 13th Avenue, Vancouver
26 suites in Mount Pleasant
Corner lot on 'y' one block east of Main
Listed \$10,800,000

The information contained in this report is based on the information provided by the seller and is not intended to constitute an offer of securities or any other financial product. The information contained in this report is for informational purposes only and should not be used as a basis for investment decisions. The information contained in this report is not intended to constitute an offer of securities or any other financial product. The information contained in this report is for informational purposes only and should not be used as a basis for investment decisions.



This is **Exhibit "G"** referred to in the affidavit
of Mark Goodman, affirmed before me on
June , 2021.

A Commissioner for Taking Affidavits
in British Columbia



Goodman:

goodmanreport.com

Goodman Commercial Inc. Mark Goodman* (604) 714-4790
560-2608 Granville St, Vancouver BC
Cynthia Jagger* (604) 912-9016
* Personal Real Estate Corporation



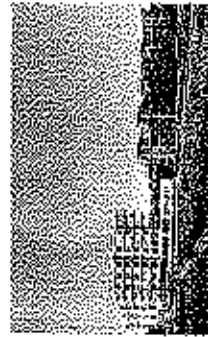
MAYFLOWER PLACE
Corner of West 4th Ave & Stephens St
36 suites mixed-use building in the heart of
Kitsilano. C-2 zoned corner lot.
Call for price



NORTH PARK APARTMENTS
1032 North Park Street, Victoria
31 su to 4-storey apartment building.
Built in 2016. 3.8% cap rate.
\$4,185,000



DEVELOPMENT SITE
6066-6076 Earles Street, Vancouver
Phase 1 letter in process—65 strata units
proposed. Near Jay Village neighborhood.
Call for price



RIVERPORT FLATS
14000 & 14088 Riverport Way, Richmond
2 side-by-side waterfront apartment
buildings totaling 135 units
\$50,295,000



MIXED-USE HIGH-RISE SITE
10326-84 133A St & 13380-96 103A Ave, Surrey
1.16-acre mixed-use transit-oriented high-
rise development site in Surrey's City Centre
\$33,900,000



INVESTMENT PROPERTY
1222 East 12th Avenue, Vancouver
Completely renovated 7-down to 5-
storey Mount Pleasant neighbourhood.
\$2,999,000



HAWTHORNE AT TIMBER COURT
District of North Vancouver
New purpose-built 1500 sq ft apartment
building featuring 75 suites in Lynn Valley.
Call for price



SPRUCE WEST
1089 West 13th Avenue, Vancouver
6-unit concrete apartment building
One large suite per floor
Listed \$4,750,000



648 EAST 44TH AVENUE
Vancouver
16 suites in Fraser/Mat neighborhood
\$328,000 per unit
Listed \$5,250,000



GEO-ANN APARTMENTS
310 East 13th Avenue, Vancouver
26 suites in Mount Pleasant
Corner lot only one block east of Main
Listed \$16,800,000

This information is provided for your information only. It is not intended to constitute an offer of any financial product or service. Please contact your broker for more information.

A handwritten signature in black ink.

This is Exhibit "H" referred to in the affidavit of
Mark Goodman, affirmed before me on
June , 2021

A Commissioner for Taking Affidavits
in British Columbia

A handwritten signature in black ink, appearing to be the initials 'JG', located in the bottom right corner of the page.

[click here to view email in browser](#)

Goodman:

Property update
August 2020

Hi <<First Name>>,

So far, the beginning of the third quarter of 2020 has proven to be a very busy time for us here at Goodman Commercial. We are active in both apartment building and development site listings and sales.

Below is a current summary of our new launches, price reductions, accepted offers and recent sales. Additionally, please note our Surrey City Centre high-rise development site is now priced at \$33,800,000 and further listings will be coming shortly.

As always, please don't hesitate to contact us if you wish to discuss your property or the market in general — we are here to assist.

Featured Listings [View all](#)



Under Contract

Spruce West

1089 West 13th Avenue, Vancouver

6-unit concrete apartment mid-rise

One large suite per floor

\$4,750,000



New Listing

Mixed-use high-rise site

133A St. & 103A Ave, Surrey

1.16-acre high-density development site

Surrey City Centre

Now asking \$33,800,000

lv



Sold

Geo-Ann Apartments

310 East 13th Avenue, Vancouver

26-suite apartment building

Corner lot in Mount Pleasant

\$10,800,000



New Listing

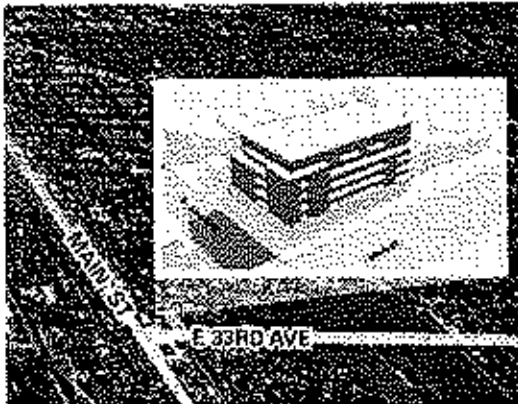
Riverport Flats

14000 & 14088 Riverport Way, Richmond

2 side-by-side waterfront apartment buildings

135 units

\$50,295,000



Under Contract

Six-storey rental site

Corner of Main & East 33rd, Vancouver

18,487 SF multi-family development site

Plans submitted — 69 units proposed

Call for price



New Listing

646 East 44th Avenue

Vancouver

16-suite apartment building

Fraser / Main neighbourhood

\$5,250,000

lu



For Sale

Casa Jubilee

1555 Jubilee Avenue, Victoria

21-suite apartment building

1.5 blocks from the Royal Jubilee Hospital

\$6,275,000



New Listing

Development site

5056-5076 Eartes St, Vancouver

Prior-to letter in place - 65 strata units proposed

Norquay Village neighbourhood

Call for price



For Sale

Side-by-side buildings

4651 & 4663 Hastings Street, Burnaby

Mixed-use buildings

Can be purchased together or separately



Reduced

Grove Mobile Home Park

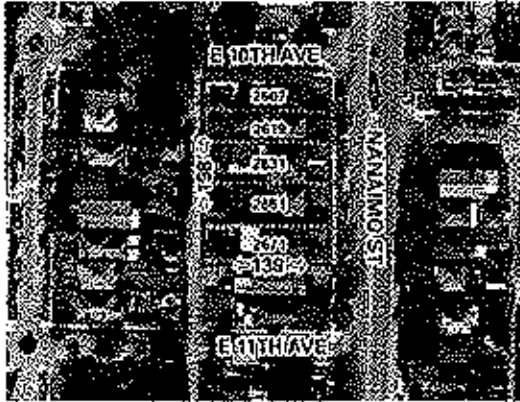
32380 Lougheed Highway, Mission

Mobile home park with development potential

2.83-acre site along Lougheed Highway

Li

Reduced \$150K



For Sale

C-2 zoned development site

2607-71 Nanaimo Street, Vancouver

27,442 SF corner lot

Up to 2.5 FSR

\$15,000,000

68,605 SF buildable—\$219/SF



For Sale

DP approved rental project

1517 Comox Street, Vancouver

Infill development potential

7-suite "Heritage B" West End rental building

\$4,500,000[View all Listings](#)**Contact****Mark Goodman**

Personal Real Estate Corporation
 mark@goodmanreport.com
 (604) 714 4790

Cynthia Jagger

Personal Real Estate Corporation
 cynthia@goodmanreport.com
 (604) 912 9018

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Goodman:

Featured Listing
July 2020

New Listing

SPRUCE WEST

1089 WEST 13TH AVE, VANCOUVER

6-unit concrete apartment mid-rise

Court-ordered sale

\$4,750,000



Spruce West is a 6-unit, 6-storey concrete multi-family strata building located in Vancouver's popular Fairview neighborhood. Built in 1977 on a 6,250 SF corner lot, the building features one large unit per floor (avg. 956 SF), balconies, storage (6 lockers), elevator services, 6 underground parking stalls and surface parking. The top floor unit also features a large patio roof top deck with panoramic views of the North Shore Mountains, False Creek and Vancouver's urban landscape.

lu

program in order to devise a new Area Plan anticipated for Council's consideration in late 2020. The plan will focus on opportunities to integrate development around the Millennium Line Broadway Extension among other key goals.

[View More](#)

Contact

Mark Goodman*

mark@goodmanreport.com
604 714 4790


Cynthia Jagger*


cynthia@goodmanreport.com
604 912 9018

Goodman Commercial Inc.

560-2608 Granville Street
Vancouver, BC V6H 3V3
Office 604 558 5511
**Personal Real Estate Corporation*

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Goodman:

Property update
April 2021

Hi <<First Name>>,

Below is a current summary of our listings and accepted offers across Metro Vancouver.

As always, please don't hesitate to contact us if you wish to discuss your property or the market in general — we are here to assist.

Featured Listings [View all](#)



For sale

Development site

5056-5076 Earles St, Vancouver

Prior-to letter in place—65 strata units proposed

Norquay Village neighbourhood

\$15,980,000

\$278/SF buildable



For sale

Mixed-use rental building

7312 Magnolia Terrace, Burnaby

15 units: 14 residential + 1 CRU

700 metres to Edmonds Skytrain station

\$7,200,000

2.8% cap rate



For sale

Centennial House

725 West 70th Avenue, Vancouver

12-storey concrete rental tower

94 suites featuring river and city views

\$39,800,000

Significant infill development potential



Under contract

Tamarac Apartments

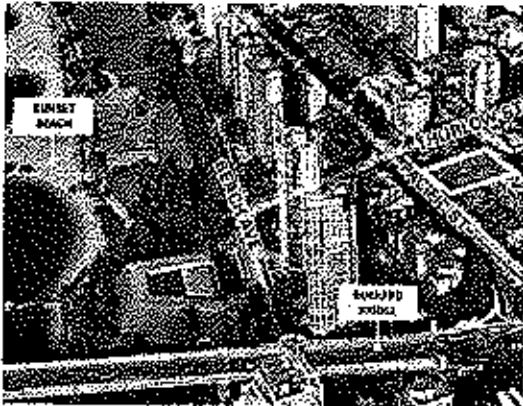
1160 Broughton Street, Vancouver

75-suite 10-storey concrete rental tower

Well maintained – \$440k per unit

\$33,000,000

Corner lot – steps to Davie Village



For sale

The Edgewater

1065 Pacific Street, Vancouver

Development opportunity with holding income

Improved with a 30-suite rental building

\$19,950,000

West End—steps to Sunset Beach



For sale

North Park Apartments

1032 North Park Street, Victoria

11-suite apartment building

Built in 2016 – 4.4% cap rate

\$3,800,000

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Under contract

Townhouse-style rental

2200 West 7th Avenue, Vancouver

Kitsilano rental building

Corner of West 7th Ave and Yew St

\$2,700,000

3.3% cap rate



For sale

High-density M2-zoned site

1357 & 1435 Powell Street, Vancouver

Industrial property

Up to 5.0 FSR (356,805 SF buildable)

\$28,750,000

1.8 acres in East Van's port industrial area



For sale

Grove Mobile Home Park

32380 Lougheed Highway, Mission

Mobile home park with development potential

2.83-acre site along Lougheed Highway

\$4,899,000


For sale

Georgian House

5450 Vine Street, Vancouver

12-storey concrete rental tower

89 suites in the heart of Kitsilano

\$46,000,000



Under contract

Casa Jubilee

1555 Jubilee Avenue, Victoria

Apartment Building

21 units

\$6,275,000

1.5 blocks from the Royal Jubilee Hospital



Under contract

Spruce West

1088 West 13th Avenue, Vancouver

6-unit concrete apartment mid-rise

One large suite per floor

\$4,750,000

Central Fairview location

[View all Listings](#)

Contact


Mark Goodman
Personal Real Estate Corporation
mark@goodmanreport.com
(604) 714 4790

Cynthia Jagger
Personal Real Estate Corporation
cynthia@goodmanreport.com
(604) 912 9018

Goodman Commercial Inc.
560-2608 Granville St

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This is **Exhibit "I"** referred to in the affidavit
of Mark Goodman, affirmed before me on
June , 2021.

A Commissioner for Taking Affidavits
in British Columbia

le

Goodman:

Featured Listings
September 2020



DAVID APARTMENTS
2012 Cornwall Ave, Vancouver
20 suites - steps to Kits Beach
Call for price



16-SUITE APARTMENT BUILDING
846 East 44th Ave, Vancouver
Main / Fraser neighbourhood
Asking \$5,250,000



MAYFLOWER PLACE
W 4th Ave & Stephens St, Vancouver
38-suite mixed-use building w/ K.I.T.s
Asking \$27,000,000



RIVERPORT FLATS
1400 & 14088 Riverport Way, Richmond
135 units. Sideside waterfront buildings
Asking \$50,295,000



OFFICE BUILDING
376 Harbour Road, Victoria
Built in 2019 - 4.8% cap rate
Asking \$9,800,000



NORTH PARK APARTMENTS
1022 North Park St, Victoria
11-suite apartment building
Asking \$4,185,000



SPRUCE WEST
1089 West 13th Ave, Vancouver
8-unit concrete apartment, mid-rise
Asking \$4,750,000



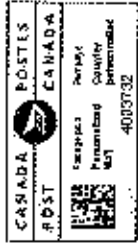
GEO-ANN APARTMENTS
310 East 13th Ave, Vancouver
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Asking \$10,800,000

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Goodman:

Goodman Commercial Inc.
560-2608 Granville Street
Vancouver, BC V6H 3V3

Cynthia Jagger

Personal Real Estate Corporation
cynthia@goodmanreport.com
Direct 604 912 9018

Mark Goodman

Personal Real Estate Corporation
mark@goodmanreport.com
Direct 604 714 4790

A handwritten signature in black ink, appearing to be "CJ" or similar initials.

This is **Exhibit "J"** referred to in the affidavit
of **Mark Goodman**, affirmed before me on
June , 2021

A Commissioner for Taking Affidavits
In British Columbia

A handwritten signature in cursive script, appearing to be the initials 'LH' or similar, located in the bottom right corner of the page.

The Goodman Report

The Goodman Report

For sale: Concrete and rise in South Granville

The Goodman Report

For sale: Concrete and rise in South Granville. Asking \$4,750,000.

Spruce West - 1029 West 12th Ave. Vancouver - G...

hr

This is **Exhibit "K"** referred to in the affidavit of
Mark Goodman, affirmed before me on
June , 2021

A Commissioner for Taking Affidavits
in British Columbia

li.

This is **Exhibit "L"** referred to in the affidavit
of Mark Goodman, affirmed before me on
June , 2021

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in British Columbia

A handwritten signature in cursive script, appearing to be the initials 'L' or 'Lr', located in the bottom right corner of the page.



Search



Miss Ogilvy
86



Mark Goodman

Commercial Real Estate
Senior Business Development
London, Ontario

View profile

View profile



Mark Goodman

For sale: Concrete mid-rise in South Granville. Asking \$4,750,000

Spruce West is a 6-unit, 6-storey concrete multi-family strata building. See more



For sale: Concrete mid-rise in South Granville

For sale: Concrete mid-rise in South Granville. Asking \$4,750,000
Spruce West is a 6-unit, 6-storey concrete multi-family strata building. See more



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Mark Goodman

For sale: Concrete mid-rise in South Granville. Asking \$4,750,000

Spruce West is a 6-unit, 6-storey concrete multi-family strata building. See more



Spruce West - 1069 West 13th Ave, Vancouver

For sale: Concrete mid-rise in South Granville. Asking \$4,750,000



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This is Exhibit "M" referred to in the affidavit of Mark Goodman, affirmed before me on June , 2021

A Commissioner for Taking Affidavits
in British Columbia



From: Mark Goodman
To: Megan Buchanan
Subject: Fwd: 1089 W 13th - accepted LOI
Date: Wednesday, May 12, 2021 1:37:48 PM
Attachments: ACCEPTED LOI 1089 W 13th - Decn Form.pdf

CAUTION: This email originated from outside of the organization. Do not click on links or open attachments unless you recognize the sender and know the content is safe.

Mark Goodman
 Principal
 Personal Real Estate Corporation
Direct: 604 714 4790
goodmanreport.com

Goodman Commercial Inc.
 560-2608 Granville Street
 Vancouver V6H 3V3
 Office: 604 558 5511

----- Forwarded message -----

From: Mark Goodman <mark@goodmanreport.com>
Date: Fri, Aug 7, 2020 at 10:19 AM
Subject: 1089 W 13th - accepted LOI
To: Norm Shearing <nshearing@openforproperties.ca>
Cc: Cynthia Jagger <cynthia@goodmanreport.com>

Hi Norm,

Attached for your files is the accepted LOI --- congratulations.

Here are next steps:

1. Please confirm with a copy of the \$75,000 deposit cheque delivered to your lawyer in trust by **Tuesday, August 11th** (2 business days after acceptance).
2. Mark your calendar – Vendor's subject removal is 30 days from now – **September 6th** (once this happens, we will have 14 days to finalize a PSA)



3. Let me know when you'd like to look at one or two suites, and I will endeavour to arrange this.

Regards,

Mark Goodman
Principal
Personat Real Estate Corporation
Direct: 604 714 4790
goodmanreport.com

Goodman Commercial Inc.
560-2608 Granville Street
Vancouver V6H 3V3
Office: 604 558 5511



OpenForm
PROPERTIES

August 5, 2020

To: The Owners, Strata Plan VR456 (the "**Strata Corporation**") c/o Goodman Commercial Inc. ("**Goodman**") #560-2608 Granville Street, Vancouver, BC, V6H 3V3

Attention: Mark Goodman Personal Real Estate Corporation and
Cynthia Jagger Personal Real Estate Corporation

RE: 1089 West 13th Avenue, Vancouver, B.C., (the "**Property**")

The following sets out the basic terms upon which we, OpenForm Properties Ltd (the "**Purchaser**") would be prepared to purchase the Property. The terms are not comprehensive and we expect that additional terms will be incorporated into a formal agreement (the "**Agreement**") to be negotiated. In making this offer, we acknowledge your information to us that:

- The Strata Corporation is a strata corporation established under the *Strata Property Act* (the "**SPA**"), represented by its administrator (the "**Administrator**"), Garth Cambrey, pursuant to an order of the B.C. Supreme Court, dated April 17, 2020 (collectively the "**Administrator Order**") in the matter of *MacLennan and others, v. The Owners, Strata Plan VR456*, BCSC New Westminster Registry No. S222743, who may contractually bind the Strata Corporation in accordance with authority granted to the Administrator pursuant to the Administrator Order. More specifically, pursuant to the Administrator Order, the Administrator has the power to cause the Strata Corporation to execute this LOI, and negotiate and enter into the Agreement with the Purchaser, provided that certain decisions of the Administrator are conditional upon obtaining the approvals required under the SPA.
- The Administrator Order authorizes the Administrator to proceed with the proposed transaction is by way of the process described in Part 16, Division 2 of the SPA, being a "Voluntary Winding Up With Liquidator". Alternatively, the Administrator may apply to the BC Supreme Court to amend the Administrator Order to allow the Administrator to proceed under Part 16, Division 3 of the SPA, being an "Involuntary Winding Up With Liquidator" (either being, the "**Winding Up Process**").
- The Winding Up Process will not be formally commenced unless either of the following occurs:
 1. the Winding Up Resolutions (as defined in paragraph ⁶~~(c)~~(i)A of this LOI) are approved at a special general meeting of the Strata Corporation; or

[ns] [je]

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2. the Winding Up Resolutions are not approved, but the Administrator elects to make, and succeeds with, an application to BC Supreme Court to seek a Court Order pursuant to Section 284 of the SPA to complete an Involuntary Winding Up With Liquidator.

The basic terms proposed for the Agreement are as follows:

1. Purchaser: OpenForm Properties
2. Vendor: The Owners, Strata Plan VR456 (collectively the "Vendor" or the "Strata Corporation")
3. Property: The entire development as "Spruce West" comprising 6 residential units and common property, located in a single building, as currently further described as:

Strata Lots 1 - 6
VR456, District Lot 526, New Westminster Land District, PID 004-046-471, 004-046-480, 004-046-498, 004-046-501, 004-046-510, 004-046-528

together with an interest in the common property in proportion to the unit entitlement of the strata lots as shown on Form 1

free and clear of all liens, charges and encumbrances at Closing, except those non-financial charges and recorded on titles to the Property as at the date hereof and tenancies of any strata lots that have not terminated as of Closing.

4. Purchase Price: \$4,350,000
5. Deposits: Subject to paragraph 10 of this Letter of Intent:
 - (a) Within 2 business days of ~~Upon~~ mutual execution of this letter, the Purchaser will deposit with the Purchaser's lawyer (being Terra Law in trust, the amount of \$75,000 (the "Deposit") which will be invested in an interest bearing trust account with any interest accruing to the Purchaser and will be fully refundable to the Purchaser if the Agreement is not entered into by the parties within the time provided herein;

[je] [ns]



6 [je] [ns]

(b) Within 5 business days of the Purchaser giving notice to the Vendor that the First Purchaser's Condition (as defined in paragraph X of this LOI) has been waived or satisfied in accordance with the Agreement, the Deposit will be increased by the Purchaser an additional \$75,000 to \$150,000 and will be fully refundable to the Purchaser in the event that the Vendor's Second Condition (as defined in paragraph X of this LOI) is not satisfied or waived within the time provided herein;

6 [ns] [je]

(c) Within 5 business days of the Vendor giving the Purchaser notice that the Vendor's Second Condition has been satisfied or waived in accordance with the Agreement, the Deposit will be increased by the Purchaser by an additional \$110,000 to ~~\$261,000~~ and, except as set out in paragraph X of 10 this LOI, will be fully refundable in the event that the Second Purchaser's Condition is not satisfied or waived; and \$260,000

[ns] [je]

[ns] [je]

The Deposit and any accrued interest will be applied to the Purchase Price at the closing ("Closing") of the purchase and sale of the Property in accordance with the Agreement. If the Purchaser defaults at Closing, the Deposit and any accrued interest will be released to the Vendor as liquidated damages and its sole remedy.

6. Conditions Precedent:

(a) First Vendor's Condition: The obligation of the Vendor to enter into the Agreement regarding the proposed sale of the Property to the Purchaser will be subject to satisfaction or written waiver by the Vendor of the following condition within thirty (30) days of mutual acceptance of this LOI: the holding of meeting(s) of the owners of the strata lots comprising the Property (the "Owners") to determine whether, in the sole discretion of the Administrator, there is sufficient support among the Owners to proceed with the holding of a general meeting of the Strata Corporation for the purposes of passing the Winding Up Resolutions (the "First Vendor's Condition");

(b) First Purchaser's Condition: The obligation of the Purchaser to purchase the Property will be subject to satisfaction or written waiver by the Purchaser of the following condition(s) (collectively the "First Purchaser's Condition") within (21) Twenty-one days after the mutual execution of the Agreement:

(i) The Purchaser conducting, and being satisfied in its sole discretion with, the results of environmental and geotechnical investigations of the Property; and



- (ii) The Purchaser conducting, and being satisfied in its sole discretion with, a review of the physical condition of the existing structures on the Property.
- (c) **Vendor's Second Condition:** The obligations of the Purchaser and the Vendor to complete the purchase and sale of the Property will be subject to satisfaction of the following condition(s) (collectively, the "**Vendor's Second Condition**") within **TWO HUNDRED TEN (210)** days after the Purchaser having given the Administrator notice in writing of the waiver or satisfaction of the First Purchaser's Condition:

Either:

- (i) the Strata Corporation:
 - A. passing the resolutions required pursuant to the Winding Up Process, including to:
 - (1) appoint the Liquidator;
 - (2) approve the winding up of the Strata Corporation;
 - (3) approve the sale of the Property on the terms set out in the Agreement; and
 - (4) if required, approve use of funds from the contingency reserve fund and/or impose a special levy to pay costs of the Winding Up Process,

(collectively, the "**Winding Up Resolutions**"); and
 - B. obtaining from the BC Supreme Court an order pursuant to section 278.1(4) of the SPA to confirm the winding up of the Strata Corporation (collectively, the "**Winding Up Confirmation Order**");

OR

- (ii) in the event that the Strata Corporation fails to pass the Winding Up Resolutions and the Administrator notifies the Purchaser in writing (the "**Division 3 Notice**") within **THIRTY (30)** days of the date of the meeting at which the voting on such resolutions took place that the



Administrator intends to seek from the BC Supreme Court an order for the winding up of the Strata Corporation and the appointment of the Liquidator pursuant to section 284 of the Act (collectively the "Division 3 Orders"), the Administrator obtaining the Division 3 Orders.

The Administrator may, by written notice, extend the date for satisfaction of the Vendor's Second Condition from time to time, provided that the Vendor's Second Condition may not be extended by more than **ONE HUNDRED EIGHTY (180)** days after the original date for satisfaction of the Vendor's Second Condition.

(d) Vendor's Third and Fourth Conditions: The obligations of the Purchaser and the Vendor to complete the purchase and sale of the Property will be subject to satisfaction of the following condition(s):

(i) Within **SIXTY (60)** days after the Vendor having given the Purchaser written notification of the satisfaction or waiver of the Vendor's Second Condition, the Liquidator obtaining the court orders required pursuant to section 279(1) of the Act (collectively the "Vesting Orders"), including to vest title to the strata lots comprising the Property in the name of the Liquidator, effective on the Closing Date, (the "Third Vendor's Condition").

The Administrator may, by written notice, extend the date for satisfaction of the Third Vendor's Condition from time to time, provided that the Third Vendor's Condition may not be extended by more than **NINETY (90)** days after the original date for satisfaction of the Third Vendor's Condition.

and

(ii) The Liquidator obtaining a $\frac{3}{4}$ vote resolution to approve the disposition of the Property and any other land and/or personal property in accordance with section 282 of the SPA (a "Liquidator's Section 282 Resolution") following the grant of the Vesting Orders, the approval of a Liquidator's Section 282 Resolution by the Owners (the "Fourth Vendor's Condition") within **THIRTY (30)** days of the Third Vendor's Condition being satisfied.



If the Second Vendor's Condition, the Third Vendor's Condition and, the Fourth Vendor's Condition are not satisfied within the times provided, the Agreement shall become null and void. In such an event, and subject to paragraph 10, the Deposit will be returned to the Purchaser immediately.

- (e) 100% Approval of 80% Vote Resolution: The parties acknowledge and agree that the procedures associated with the Second Vendor's Condition and Third Vendor's Condition are necessary to effect a sale of land within a strata plan where 80% or more, but less than 100%, of the owners of strata lots wish to appoint a liquidator to wind up the strata corporation and sell the land within the strata plan.

If, at any time, 100% of the Owners decide that they wish to have all the land within Strata Plan VR456 sold pursuant to the terms of the Agreement, then at the option of the Administrator, the Liquidation Process will be suspended or will not be used to complete the sale and purchase of the Property and, instead, the Purchaser, as purchaser, will enter into a new or amended Agreement with all such Owners, as vendors, with such changes to the Agreement as may be required to provide that the Owners will be the vendors thereunder, to delete the Second Vendor's Condition and Third Vendor's Condition and to provide that, to the extent the Deposit payments contemplated in Section 5(b) have not already been paid, they will be payable on the later of the date on which the Purchaser's Conditions are satisfied or waived by the Purchaser and the date which is three (3) business days after the execution and delivery of the new or amended Agreement by the Purchaser and all the Owners.

Provided that, if the new or amended Agreement is not executed and delivered by all of the Owners within thirty (30) days after the date on which the Strata Corporation has advised the Purchaser that all of the Owners have agreed to sell their strata lots to the Purchaser, then the Liquidation Process will be resumed.

- 7. Communications: The Purchaser acknowledges that all communications with the Vendor regarding the subject matter of this LOI shall, as long as the Administrator's appointment continues, take place only through the Administrator or Goodman, unless otherwise directed by the Administrator in writing.
- 8. Return of Vendor's Materials: All copies of the Vendor's Materials will be returned to the Vendor or destroyed if the Agreement is not executed within the time provided.

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- 9. **Closing:** The Closing will occur on a date to be agreed between the parties, not later than **ONE HUNDRED TWENTY (120)** days after satisfaction of the Vendor's Fourth Condition.
- 10. **Costs:** The Purchaser acknowledges that the Vendor will need to incur significant costs to complete the sale of the Property to the Purchaser with the assistance of the Liquidator (the "**Vendor's Completion Costs**").

Within 5 business days of the satisfaction of the Third Vendor's Condition and the Fourth Vendor's Condition, in accordance with the Agreement, the Purchaser will assist the Vendor in paying such Vendor's Completion Costs by providing all necessary instructions to the Purchaser's solicitor to release from the Deposit up to **\$35,000.00** in aggregate, to pay the Vendor's Completion Costs, including legal and Liquidator's fees as incurred. Notwithstanding paragraph 5 and 7 of this LOI, all such funds released from the Deposit will be non-refundable, ~~even in the event that the Second Purchaser's Condition is not satisfied.~~

je *ns* ⁷ *ns* *je*

Otherwise, the Purchaser and the Vendor will each bear their own expenses in connection with this Letter of Intent and the purchase and sale of the Property.

- 11. **Confidentiality:** Except as contemplated in paragraph 12(b) or as otherwise may be necessary to disclose to the BC Supreme Court to satisfy the Vendor's Second Condition and the Third Vendor's Condition, all negotiations regarding the Property will be confidential and will not be disclosed to anyone other than the Owners, and the respective advisors and internal staff of the parties and necessary third parties, such as lenders approached for financing.
- 12. **Next Steps:** Upon execution of this Letter of Intent:
 - (a) Each of the Purchaser and the Vendor will act honestly, diligently and in good faith in their respective endeavors to negotiate, settle and execute the Agreement within **Fourteen Days (14)** days following the waiver or satisfaction of the First Vendor's Condition. The Purchaser acknowledges that, given the nature of the Vendor as a strata corporation established under the SPA, the Agreement will contain very few of the representations and warranties contained in a typical agreement of purchase and sale;
 - (b) The Vendor will:
 - (i) call a meeting of the Owners pursuant to paragraph 6(a) of this LOI;
 - (ii) take such other steps as the Administrator deems necessary to;



- A. inform the Owners of the transaction contemplated herein, and to ascertain the level of support to proceed;
 - B. identify issues which should be addressed in the Agreement; and
 - C. keep the Purchaser informed as to the foregoing; and
- (c) The Purchaser will diligently pursue satisfaction of the Purchaser's First and Second Conditions.

13. Assignment: The Vendor and the Purchaser agree that:

- (a) this letter of intent must not be assigned without the written consent of the Vendor (except for assignment to an affiliate of the Purchaser); and
- (b) the Vendor is entitled to any profit resulting from an assignment of this letter of intent by the Purchaser or any subsequent assignee. No assignment will release the Purchaser from its obligations hereunder.

Notwithstanding the foregoing in this paragraph 14, the Purchaser shall have the right to assign this LOI / the Agreement to a company that is an affiliate of the Purchaser, and which the Purchaser or an affiliate of the Purchaser is no less than a 50% owner of the issued and outstanding shares thereof (with Affiliate having the meaning ascribed to it in the Business Corporation Act (British Columbia)) or other affiliated entity of the Purchaser, provided that notice of such assignment is provided to the Vendor within a reasonable period of time prior to application to approve the Vesting Order so that such assignment may be incorporated therein, and upon such assignment being made it is understood and agreed that the Purchaser shall not be relieved of any and all covenants, obligations and/or liabilities herein contained and the Vendor agrees to complete the transaction herein with the said assignee as if the assignee were the original named Purchaser. In the event that the Purchaser assigns this LOI/the Agreement as permitted by this paragraph ~~14~~, the Purchaser will forthwith provide notice in writing to the Administrator and, if appointed, the Liquidator.

13 [NS] [JE]

14. Not a Binding Agreement: This LOI (except paragraphs ~~9, 11, 13, and 14~~ hereof) does not create a binding contract and will not be enforceable. Only the definitive Agreement, duly executed and delivered by the Vendor and the Purchaser, will be enforceable.

5 (a), 11, 12, 13, 14 [NS] [JE]

l.e.

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15. As is: The Purchaser will acquire the Property on the Closing Date in "as-is" condition, as of the date of satisfaction or written waiver of the Purchaser's Conditions.
16. No Warranties: The Purchaser has relied solely upon its own due diligence examinations and inquiries and acknowledges that the Vendor has made no warranty or representation with respect to the state or condition of the Property upon which the Purchaser has relied.
17. Occupancies after Closing: Any Strata Lot owner who executed and delivers to the Purchaser, on or before the Closing Date, an owners' agreement (the "Owner's Agreement") in the form to be attached to the Agreement may, following the Closing Date, continue to remain in possession of the dwelling unit consisting of the Strata Lot which was owned by such owner prior to the cancellation of the Strata Plan rent free (but such owner will be responsible for utilities), until no later than the date (the "Delayed Possession Date") which is four (4) months following the Closing Date, and, subject to the following paragraph, the Purchaser will have vacant possession of such Strata Lot from and after the Delayed Possession Date. For greater certainty, any Strata Lot owner who does not execute and deliver to the Purchaser an Owner's Agreement on or before the Closing Date will be required to vacate the Property on or before the Closing Date.
18. Agency Disclosure:
 - (a) The Purchaser hereby acknowledges that **Goodman** represented by Mark Goodman PREC, and Cynthia Jagger PREC (collectively the "**Designated Agents**") have an agency agreement to represent the Vendor as a client in respect of the transaction contemplated herein; and the Purchaser hereby further acknowledges and confirms that **Goodman and the Designated Agents** have no agency relationship with the Purchaser and thereby confirms that they are an Unrepresented Party in accordance with the *Real Estate Services Act* of British Columbia.
19. Sales Commissions: The Vendor will be solely responsible for payment of a sales commission to Goodman in connection herewith.



20. Acceptance: If the Strata Corporation is agreeable to the foregoing terms, please sign and return a duplicate copy of this Letter of Intent by no later than by 5:00 p.m. August 16~~th~~th, 2020. An electronically transmitted copy is acceptable.

[je/ns]

7th
Yours truly,

OpenForm Properties Ltd

Per: 

The above terms are accepted this 05 day of August, 2020.

THE OWNERS, STRATA PLAN VR456

Per:

AuthenticSign	
<i>J. Garth Cambrey</i>	08/08/2020

Garth Cambrey, Administrator

cc

**This is Exhibit "N" referred to in the affidavit
of Mark Goodman, affirmed before me on
June , 2021**

A Commissioner for Taking Affidavits
in British Columbia



SPECIAL GENERAL MEETING**THE OWNERS, STRATA PLAN VR 456 – SPRUCE WEST**

DATE HELD: Wednesday, September 2, 2020
LOCATION: Underground Parking Garage, 1318 West 13th Ave., Vancouver, BC
CALL TO ORDER: 7:00 PM

Owners in Attendance: Agnes Mui, 101 and 201
Peter Tovbis, 301
Michelle Mok and Dr. James Mok, 401
Tracey MacLennan and Suzanne Foster, Executors, 501
Dan Sonnenscheln, 601

Guests: Paul Mendes, Lesperance Mendes
Dixon Sunthoram, Lesperance Mendes
Cynthia Jagger, Goodman Commercial Inc.
Mark Goodman, Goodman Commercial Inc.

Also in Attendance: J. Garth Cambrey, Court Appointed Administrator

1. CALL TO ORDER

The Court Appointed Administrator, Mr. Garth Cambrey, called the meeting to order at 7:00 p.m. Mr. Cambrey introduced the guests present.

2. CERTIFICATION OF PROXIES

Prior to the commencement of the Meeting, it was determined that six (6) votes were present in person and zero (0) votes were present by proxy for a total representation of six (6) votes. Mr. Cambrey advised that voting cards were not distributed due to COVID-19 concerns, but that they were available if requested or needed.

3. DETERMINATION OF QUORUM

Mr. Cambrey advised that the quorum of two (2) votes had been met and he declared that the meeting was competent to proceed with business.

4. ELECTION OF PERSON TO CHAIR THE MEETING

Mr. Cambrey advised that he would chair the meeting as the sole representative of the Strata Corporation and Strata Council under the terms of the April 17, 2020 BC Supreme Court Order.

5. PROOF OF NOTICE OF MEETING

Owners were advised that Notice of the Special General Meeting was distributed on August 13, 2020 in accordance with the bylaws and the *Strata Property Act*.

It was **MOVED AND SECONDED (601/501)**

That Proof of Notice of the Meeting be accepted.

A vote was taken by a show of hands and the resolution to accept proof of notice of the meeting was declared

CARRIED (5 votes in favour, 401 abstained)

6. APPROVAL OF AGENDA

Mr. Cambrey declared the Agenda distributed with the Notice of Meeting be approved as circulated.

7. APPROVAL OF THE PREVIOUS MINUTES

It was **MOVED AND SECONDED (601/201)** that the previous Annual General Meeting minutes of July 13, 2020 be approved as distributed.

Dr. Mok requested clarification on the discussion about “variances” under heading 12 about the approving the budget on page 9 of the minutes. Tracey MacLennan offered an explanation as she originally raised the concern. Ms. MacLennan explained she had two items of concern about the treasurer funding professional services without the knowledge of all strata council members. Those relate to the:

- a. April 2018 fire stopping repairs in the exit stairways, and
- b. 2019 procurement of Clark Wilson LLP.

Dr. Mok also wondered what came of the discussion on the strata corporation retaining legal counsel independent of the Administrator, as detailed on page 9 of the minutes under heading 13.

Mr. Cambrey explained that it is open to the strata corporation to retain legal counsel as was reflected in the minutes. In response to Dr. Mok’s question on what assistance Mr. Cambrey had provided in retaining independent legal counsel, Mr. Cambrey advised he had not taken any steps because he was not instructed to do so. However, he remained open to assist the strata corporation if there was interest for it to retain separate legal counsel.

Following discussion, Mr. Cambrey asked owners to indicate their interest in the strata corporation retaining separate legal counsel. Only 401 expressed an interest.

A vote was taken by a show of hands and the resolution to approve the previous minutes was declared

CARRIED (5 votes in favour, 401 abstained)

8. UNFINISHED BUSINESS

There was no unfinished business that was not included on the agenda.

9. NEW BUSINESS

a. Winding up Instructions -- Majority Vote Resolution

It was **MOVED AND SECONDED (301/601)**

WHEREAS the British Columbia Supreme Court made an order under s. 174 of the *Strata Property Act*, S.B.C. 1998, c. 43 (the "Act") on April 17, 2020, appointing Garth Cambrey as the administrator of The Owners, Strata Plan VR 456 (the "Order").

AND WHEREAS under the terms of the Order, the administrator must exercise the powers and perform all the duties of the strata corporation and its strata council, subject to the requirements of the Act.

AND WHEREAS the Order also authorizes the administrator to take all reasonable and necessary steps to investigate and complete a voluntary winding up of the strata corporation with a liquidator under Part 16, Division 2 of the Act.

AND WHEREAS the administrator entered into a listing agreement Goodman Commercial Inc. on July 9, 2020, to market and sell the strata corporation lands and building (the "Property").

AND WHEREAS OpenForm Properties Ltd. (OpenForm) has offered to purchase the Property for \$4,350,000 subject to certain terms and conditions set out in a Letter of Intent signed by the administrator and OpenForm on August 7, 2020 (the "L.O.I.").

AND WHEREAS the L.O.I. requires the strata corporation to convene a special general meeting within 30 days, and no later than September 4, 2020, to determine whether, in the sole discretion of the administrator, there is sufficient support among the owners to proceed with a general meeting to approve the winding up of the strata corporation on the terms set out in the L.O.I.

AND WHEREAS the administrator has the discretion to apply to the Court for directions or an order to investigate and oversee a voluntary or Court ordered windup of the strata corporation.

AND WHEREAS, under s. 27 of the Act, a strata corporation may direct or restrict the Council in its exercise of powers and performance of duties by a resolution passed by a majority vote at an annual or special general.

BE IT RESOLVED by a **MAJORITY VOTE** of **THE OWNERS, STRATA PLAN VR 456** (the "Strata Corporation") that the Strata Corporation be directed to authorize the administrator to proceed with the voluntary winding up of the Strata Corporation under the terms and conditions set out in the L.O.I. and subject to the provisions of the *Strata Property Act*.

END OF RESOLUTION

Explanatory Notes:

This resolution authorizes the administrator to proceed to wind up the strata corporation based on the terms and conditions set out in the attached L.O.I. If the owners approve this resolution, the administrator will:

1. cause the strata to enter into a definitive agreement of purchase and sale based on the terms set out in the L.O.I.,
2. retain a liquidator,
3. convene a special general meeting to appoint a liquidator and approve the winding up of the strata, and
4. apply to the B.C. Supreme Court on the strata corporation's behalf to confirm the winding up of the strata corporation.

Following a brief discussion on the proposed resolution, Mr. Cambrey turned the meeting over to Mark Goodman and Cynthia Jagger to review the process they followed in marketing the property and obtaining the Letter of Intent from OpenForm.

Mr. Goodman explained the marketing process that included creating a website, a social media program on Facebook for Business and LinkedIn, contacting Goodman Commercial Inc.'s client list, and mailing an information brochure created for the property.

The responses generated were pleasantly surprising and resulted in about 30 confidentially agreements being signed allowing interested parties to obtain pertinent documents. The challenges of the pending building repairs and City of Vancouver Work Order for the exit stairways resulted in several verbal offers ranging



from low \$2,000,000 to low \$3,000,000. There were 5 legitimate interested parties and 2 letters of intent were offered and considered.

Mr. Goodman provided a handout for owners that included further details on the 5 offers and explained how negotiations with 2 parties resulted in the signed letter of intent with OpenForm that is now being considered.

Mr. Goodman felt it was a very competitive process where the market established the property value. He advised that arrangements were made for the buyer's representatives to inspect the property with representatives from 3 engineering firms.

Owners were advised of the next steps in the process that included negotiating a Purchase and Sale agreement incorporating the terms of the letter of intent, removing subjects and increasing the buyer's deposit to \$260,000. Also, that the court process to windup the strata was a long process.

It was noted that the strata corporation remains responsible for the repair and maintenance of common property and assets until the transfer of the property to the purchaser has completed.

There was also discussion concerning the property's RM3 zoning as it might apply to redevelopment of the property.

Following discussion on the valuation methods used to determine the listing price, Ms. Mok suggested that the property value was closer to \$6,000,000. Mr. Goodman and Ms. Jagger disagreed stating the market value was established through the marketing process and is lower than \$6,000,000 because of the required repairs to a building that is failing. It was also noted that the City of Vancouver Work Order must continue.

Discussion followed about the requirements of the buyer that included completing its due diligence, likely retaining engineers and other professionals, and arranging financing. Based on the dates established in the letter of intent it was noted that the sale could complete between November 2021 and August 2022, but that shorter completion date could be achieved if all 6 strata lots were sold to the buyer. Mr. Goodman advised that buyer is open to purchasing all strata lots, which would not require the strata corporation to be wound up.

Under the court process, an 80% vote is required to appoint a liquidator to wind up the strata corporation. Concerns were expressed that the strata corporation would remain responsible for the building repairs during that process, which could be up to 2 years. The matter of required building repairs to make 501 habitable was also

discussed.

There was also discussion about the process involved if the proposed resolution giving direction to wind up the strata corporation failed. It was suggested the options included applying for a court-ordered wind up, arranging for sale of 100% of the strata lots to a buyer, or repairing the building envelope.

Following discussion on what would be required to pursue a 100% sale of the strata lots, including amendments to the Administrator mandate (which could be achieved by consent); a straw vote was taken on whether owners would be in favour of pursuing a 100% sale of the strata lots. Based on estimates relating to costs associated with a windup provided by the Administrator, it is estimated owners could save in excess of \$40,000 per strata lot in legal and liquidator costs plus a significant amount of time through a 100% sale.

The results of the straw vote were that 401 was not in favour of a 100% sale at this time. Following discussion about keeping the 100% sale option open,

It was **MOVED AND SECONDED (601/501)**

That the majority vote be amended by adding the following wording to the resolution:

“and that the strata corporation reserves the right to authorize the Administrator to pursue a private sale of all six (6) strata lots, under a single agreement, at a future date.”

A vote was taken by a show of hands and the amendment to the majority vote resolution was declared

CARRIED (5 votes in favour, 401 abstained)

A vote was taken by a show of hands and the amended majority vote resolution to provide instructions to the Administrator was declared

CARRIED (5 votes in favour, 401 abstained)

b. Petitioners' Reasonable Legal Fees -- ¾ Vote Resolution

A motion was made by 501 to consider the ¾ Vote Resolution but it was not seconded. Mr. Cambrey advised the resolution could not be discussed unless the motion was seconded. He also noted that considering the proposed resolution provides an opportunity for owners to agree to a reduced amount of legal fees, if there is unanimous agreement.

it was then **MOVED AND SECONDED (501/401)**

WHEREAS:

The Administrator for the Owners, Strata Plan VR 456 ("Strata Corporation") is required to call a meeting of the owners pursuant to paragraph 4 of the BC Supreme Court Consent Order dated April 17, 2020 ("Consent Order") to consider a resolution to reimburse the Petitioners named in Supreme Court Action #NEW-S-S-22743, New Westminster Registry their reasonable legal costs in the Court proceedings leading to the Consent Order;

AND WHEREAS:

The Administrator has recently received correspondence from the Petitioners' legal counsel stating that the Petitioners' reasonable legal fees amount to \$20,000;

BE IT RESOLVED

By a $\frac{3}{4}$ vote of the Strata Corporation, that a special levy in the aggregate amount of Twenty Thousand Dollars (\$20,000.00) be assessed against Strata Lots 1 through 6 (inclusive) for the purpose of paying the reasonable legal costs of the Petitioner in the legal proceedings leading up to and resulting in the Consent Order. Such special levy shall be due immediately but may be paid, for convenience purposes only, on October 1, 2020 as set out in Schedule "A" below.

SCHEDULE "A"

THE OWNERS, STRATA PLAN VR 456 - Spruce West

SPECIAL LEVY SCHEDULE

Petitioners' Legal Costs

TOTAL SPECIAL LEVY		\$20,000.00
TOTAL UNIT ENTITLEMENT	5,738	
TOTAL SPECIAL LEVY / UNIT ENTITLEMENT		\$3.48554

STRATA LOT	SUITE	UNIT ENTITLEMENT	TOTAL SPECIAL LEVY
1	101	984	\$3,429.76
2	201	977	3,405.37
3	301	977	3,405.37
4	401	977	3,405.37
5	501	977	3,405.37
6	601	846	2,948.76
TOTAL	TOTAL	5,738	\$20,000.00

Mr. Cambrey asked Ms. MacLennan if the petitioners were open to accepting an amount less than set out in the resolution and was advised that \$14,000 would be acceptable. The remaining owners did not agree with the revised amount and Mr. Mendes advised that there is no doubt the petitioners will get some costs.

It was then **MOVED AND SECONDED (601/501)**

That the $\frac{3}{4}$ Vote Resolution be amended to an amount of \$14,000.

Following discussion, Mr. Mendes advised the court awards costs based on a tariff. Considering the court order issued was by consent, he suggested the tariff might result in a \$10,000 amount.

It was then **MOVED AND SECONDED (601/501)**

That the amendment to the $\frac{3}{4}$ Vote Resolution be amended to reflect an amount of \$10,000.

Following discussion on legal fees paid by other owners who supported the consent order, a vote was taken by a show of hands and the amendment to the amendment was declared

DEFEATED (2 in favour (601 and 501), 4 opposed (401, 301, 201 and 101))

Following further discussion, a vote was taken by a show of hands on the amendment to the $\frac{3}{4}$ Vote Resolution and it was declared

DEFEATED (2 in favour (601 and 501), 4 opposed (401, 301, 201 and 101))

A vote was taken by a show of hands on the original $\frac{3}{4}$ Vote Resolution and it was declared

DEFEATED (2 in favour (601 and 501), 4 opposed (401, 301, 201 and 101))

10. ADJOURNMENT

There being no further business, owners were thanked for their attendance and the meeting was terminated at 9:46 p.m.



This is **Exhibit "O"** referred to in the affidavit of
Mark Goodman, affirmed before me on
June , 2021

A Commissioner for Taking Affidavits
in British Columbia



From: Mark Goodman
To: Megan Buchanan
Subject: Fwd: West 13th - Further Financial Analysis
Date: Wednesday, May 12, 2021 1:31:59 PM

CAUTION: This email originated from outside of the organization. Do not click on links or open attachments unless you recognize the sender, and know the content is safe.

Mark Goodman
Principal
Personal Real Estate Corporation
Direct: 604 714 4790
goodmanreport.com

Goodman Commercial Inc.
560-2608 Granville Street
Vancouver V6H 3V3
Office: 604 558 5511

----- Forwarded message -----

From: Norm Shearing <nshearing@openformproperties.ca>
Date: Tue, Sep 22, 2020 at 5:36 PM
Subject: Re: West 13th - Further Financial Analysis
To: Mark Goodman <mark@goodmanreport.com>
Cc: Cynthia Jagger <cynthia@goodmanreport.com>

Bummer! But what else could he do. Thanks for letting me know. Please keep us in mind if things go sideways with this group.

All the best, Norm

Sent from my iPhone

On Sep 22, 2020, at 5:03 PM, Mark Goodman <mark@goodmanreport.com> wrote:

Hi Norm,

Appreciate the time you took to provide feedback. The Administrator has decided to work with another group with a higher price. We'll keep you posted in case things change. With respect to the deposit, here is a response from the Administrator:

Hi Mark,

Further to our telephone discussion this afternoon, I agree to the release of the deposit to OpenForm if that has not already occurred.

Regards,

J. Garth Cambrey, B. Comm., C.Arb., RI
Administrator

Mark Goodman
Principal
Personal Real Estate Corporation
Direct: 604 714 4790
goodmanreport.com

Goodman Commercial Inc.
560-2608 Granville Street
Vancouver V6H 3V3
Office: 604 558 5511

From: Mark Goodman <mark@goodmanreport.com>
Sent: Tuesday, September 22, 2020 12:11 PM
To: 'Norm Shearing' <nshearing@openformproperties.ca>; Cynthia Jagger <cynthia@goodmanreport.com>
Subject: RE: West 13th - Further Financial Analysis

Hi Norm,

cc

Thank you for your email – we will bring this to the Administrator and get back to you.

Regards,

Mark Goodman

Principal

Personal Real Estate Corporation

Direct: 604 714 4790

goodmanreport.com

Goodman Commercial Inc.

560–2608 Granville Street

Vancouver V6H 3V3

Office: 604 558 5511

From: Norm Shearing <nshearing@openformproperties.ca>

Sent: Tuesday, September 22, 2020 12:07 PM

To: cynthia@goodmanreport.com; Mark Goodman

<mark@goodmanreport.com>

Subject: West 13th - Further Financial Analysis

Hi Cynthia and Mark,

Further to your call yesterday, I have summarized three proformas for your review and consideration for the West 13th property; two, based on a concrete a high rise form and one for a 4 storey townhouse.

Each of the two concrete proformas use the same base numbers:

1. Gross Density	9,750 sf
2. FSR	1.56
3. Saleable Density	7,630 sf
4. Units	8
5. Sales revenue	\$1,650/sf
6. Costs	\$8,302,060

The Cost number includes Hard Costs, DCC's, Soft Costs, Soft Cost contingency,

Marketing, Property Tax and Financing. For this exercise I have kept the financing cost the same for both options. The variables under costs are the Land and Property Purchase Tax.

Option 1

In this option I put in a plugged number for the land at \$2.5 million and it produced a ROC of 12%.

Option 2

In this option I did a land residual calculation based on a ROC of 15% and it yielded a land value of \$2.24 million.

Option 3

The 4 storey townhouse used the following numbers:

1. Gross Density	8,063 sf
2. Saleable Density	8,063 sf
3. FSR	1.29
4. Units	8
5. Sales Revenue	\$1,400/sf

Under the zoning, the greater the building foot print area, the less density you are able to place on the site. This accounts for the difference in FSR between the concrete tower (small footprint) and the townhouse form (large footprint). Refer to architectural drawings sent in my September 18th email.

Under this scenario it produces a land value of \$2.8 million.

Analysis/Musings

1. Sales value

Under both the concrete at \$1,650 and woodframe at \$1,400, the sales value used in the proforma are at the higher end for the area. A more supportable number for the woodframe is likely in the \$1,200s and \$1,400 - \$1,500s for the tower. To

achieve the higher numbers a higher level of spec. is required

2. Construction Costs

Because both construction options are very small, the costs are high. Under the woodframe option I cannot get my construction costs down enough to support a lower sales price. On the concrete option I received two quotes that were quite far apart and I blended the two for use in my proformas. I received one quote for the woodframe which was high but then I thought their concrete price was high until I received the second quote which was higher.

Offer

Under the three options the land values range from \$2.24 M to 2.8 M. Both the concrete and woodframe options carry their own degree of risk and I have rarely seen an early construction number be reduced with additional design and specification information. That said, I believe a land purchase price of \$2.5 million is supportable.

This is a big change from the original offer and I feared this would happen once I (or anyone) had the opportunity to look into the financials of the project. This certainly won't make the process any easier or shorter but we are patient and will do what is needed if given the opportunity to move through the process with you. Please let me know what you think. I look forward to hearing from you.

Cheers, Norm

Norm Shearing

President

<image001.jpg>

2040 Burrard Street

Vancouver, BC V6J 3H5

t 604.659.3209

c 604.379.6778



This is Exhibit "P" referred to in the
affidavit of Mark Goodman, affirmed before
me on , 2021

A Commissioner for Taking Affidavits
in British Columbia

L. G.

LETTER OF INTENT

September 21, 2020

To: The Owners, Strata Plan VR456 (the "**Strata Corporation**") c/o Goodman Commercial Inc. ("**Goodman**") #560-2608 Granville Street, Vancouver, BC, V6H 3V3

Attention: Mark Goodman Personal Real Estate Corporation and
Cynthia Jagger Personal Real Estate Corporation

RE: 1089 West 13th Avenue, Vancouver, B.C., (the "**Property**")

The following sets out the basic terms upon which we, Butterscotch Holdings Inc. (the "**Purchaser**") would be prepared to purchase the Property. The terms are not comprehensive and we expect that additional terms will be incorporated into a formal agreement (the "**Agreement**") to be negotiated. In making this offer, we acknowledge your information to us that:

- The Strata Corporation is a strata corporation established under the *Strata Property Act* (the "**SPA**"), represented by its administrator (the "**Administrator**"), Garth Cambrey, pursuant to an order of the B.C. Supreme Court, dated April 17, 2020 (collectively the "**Administrator Order**") in the matter of *MacLennan and others, v. The Owners, Strata Plan VR456*, BCSC New Westminster Registry No. S222743, who may contractually bind the Strata Corporation in accordance with authority granted to the Administrator pursuant to the Administrator Order. More specifically, pursuant to the Administrator Order, the Administrator has the power to cause the Strata Corporation to execute this LOI, and negotiate and enter into the Agreement with the Purchaser, provided that certain decisions of the Administrator are conditional upon obtaining the approvals required under the SPA.
- The **Administrator Order** authorizes the **Administrator** to proceed with the proposed transaction is by way of the process described in Part 16, Division 2 of the SPA, being a "Voluntary Winding Up With Liquidator". Alternatively, the Administrator may apply to the BC Supreme Court to amend the Administrator Order to allow the Administrator to proceed under Part 16, Division 3 of the SPA, being an "Involuntary Winding Up With Liquidator" (either being, the "**Winding Up Process**").
- The Winding Up Process will not be formally commenced unless either of the following occurs:
 1. the Winding Up Resolutions (as defined in paragraph 5(c)(i)A of this LOI) are approved at a special general meeting of the Strata Corporation; or

2. the Winding Up Resolutions are not approved, but the Administrator elects to make, and succeeds with, an application to BC Supreme Court to seek a Court Order pursuant to Section 284 of the SPA to complete an Involuntary Winding Up With Liquidator.

The basic terms proposed for the Agreement are as follows:

1. Purchaser: Butterscotch Holdings Inc.
2. Vendor: The Owners, Strata Plan VR456 (collectively the "Vendor" or the "Strata Corporation")
3. Property: The entire development as "Spruce West" comprising 6 residential units and common property, located in a single building, as currently further described as:

Strata Lots 1 – 6
VR456, District Lot 526, New Westminster Land District, PID 004-046-471, 004-046-480, 004-046-498, 004-046-501, 004-046-510, 004-046-528

together with an interest in the common property in proportion to the unit entitlement of the strata lots as shown on Form 1

free and clear of all liens, charges and encumbrances at Closing, except those non-financial charges and recorded on titles to the Property as at the date hereof and tenancies of any strata lots that have not terminated as of Closing.

4. Purchase Price: \$3,900,000
5. Deposits: Subject to paragraph 10 of this Letter of Intent:
 - (a) Within 2 business days of mutual execution of this letter, the Purchaser will deposit with the Purchaser's lawyer (being Madaisky & Company) in trust, the amount of \$100,000 (the "Deposit") which will be invested in an interest bearing trust account with any interest accruing to the Purchaser and will be fully refundable to the Purchaser if the Agreement is not entered into by the parties within the time provided herein;
 - (b) Within 5 business days of the Purchaser giving notice to the Vendor that the First Purchaser's Condition (as defined in paragraph 6 of this LOI) has been waived or satisfied in accordance with the Agreement, the Deposit will be increased by the Purchaser an additional \$100,000 to total \$200,000 and will be fully refundable to

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the Purchaser in the event that the Vendor's Second Condition (as defined in paragraph 6 of this LOI) is not satisfied or waived within the time provided herein;

- (c) Within 5 business days of the Vendor giving the Purchaser notice that the Vendor's Second Condition has been satisfied or waived in accordance with the Agreement, the Deposit will be increased by the Purchaser by an additional \$100,000 to total \$300,000 and, except as set out in paragraph 11 of this LOI, will be fully refundable in the event that the Second Purchaser's Condition is not satisfied or waived; and

The Deposit and any accrued interest will be applied to the Purchase Price at the closing ("Closing") of the purchase and sale of the Property in accordance with the Agreement. If the Purchaser defaults at Closing, the Deposit and any accrued interest will be released to the Vendor as liquidated damages and its sole remedy.

6. Conditions Precedent:

- (a) First Vendor's Condition: The obligation of the Vendor to enter into the Agreement regarding the proposed sale of the Property to the Purchaser will be subject to satisfaction or written waiver by the Vendor of the following condition within thirty (30) days of mutual acceptance of this LOI: "consultation by the Administrator with the owners of the strata lots comprising the Property (the "**Owners**") to determine whether, in the sole discretion of the Administrator, there is sufficient support among the Owners to proceed with the holding of a general meeting of the Strata Corporation for the purposes of passing the Winding Up Resolutions (the "**First Vendor's Condition**");
- (b) First Purchaser's Condition: The obligation of the Purchaser to purchase the Property will be subject to satisfaction or written waiver by the Purchaser of the following condition(s) (collectively the "**First Purchaser's Condition**") within ten (10) days after the mutual execution of the Agreement:
- (11) The Purchaser conducting, and being satisfied in its sole discretion with, the results of environmental and geotechnical investigations of the Property; and
- (12) The Purchaser conducting, and being satisfied in its sole discretion with, a review of the physical condition of the existing structures on the Property.
- (c) Vendor's Second Condition: The obligations of the Purchaser and the Vendor to complete the purchase and sale of the Property will be subject to satisfaction of the following condition(s) (collectively, the "**Vendor's Second Condition**") within **TWO HUNDRED TEN (210)** days after the Purchaser having given the

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Administrator notice in writing of the waiver or satisfaction of the First Purchaser's Condition:

Either:

- (i) the Strata Corporation:
 - A. passing the resolutions required pursuant to the Winding Up Process, including to:
 - (1) appoint the Liquidator;
 - (2) approve the winding up of the Strata Corporation;
 - (3) approve the sale of the Property on the terms set out in the Agreement; and
 - (4) if required, approve use of funds from the contingency reserve fund and/or impose a special levy to pay costs of the Winding Up Process,

(collectively, the "Winding Up Resolutions"); and
 - B. obtaining from the BC Supreme Court an order pursuant to section 278.1(4) of the SPA to confirm the winding up of the Strata Corporation (collectively, the "Winding Up Confirmation Order");

OR

- (ii) in the event that the Strata Corporation fails to pass the Winding Up Resolutions and the Administrator notifies the Purchaser in writing (the "Division 3 Notice") within THIRTY (30) days of the date of the meeting at which the voting on such resolutions took place that the Administrator intends to seek from the BC Supreme Court an order for the winding up of the Strata Corporation and the appointment of the Liquidator pursuant to section 284 of the Act (collectively the "Division 3 Orders"), the Administrator obtaining the Division 3 Orders.

The Administrator may, by written notice, extend the date for satisfaction of the Vendor's Second Condition from time to time, provided that the Vendor's Second Condition may not be extended by more than ONE HUNDRED EIGHTY (180) days after the original date for satisfaction of the Vendor's Second Condition.

(d) Vendor's Third and Fourth Conditions: The obligations of the Purchaser and the Vendor to complete the purchase and sale of the Property will be subject to satisfaction of the following condition(s):

(i) Within **SIXTY (60) days** after the Vendor having given the Purchaser written notification of the satisfaction or waiver of the Vendor's Second Condition, the Liquidator obtaining the court orders required pursuant to section 279(1) of the Act (collectively the "**Vesting Orders**"), including to vest title to the strata lots comprising the Property in the name of the Liquidator, effective on the Closing Date,

(the "**Third Vendor's Condition**").

The Administrator may, by written notice, extend the date for satisfaction of the Third Vendor's Condition from time to time, provided that the Third Vendor's Condition may not be extended by more than **NINETY (90) days** after the original date for satisfaction of the Third Vendor's Condition.

and

(ii) The Liquidator obtaining a $\frac{2}{3}$ vote resolution to approve the disposition of the Property and any other land and/or personal property in accordance with section 282 of the SPA (a "**Liquidator's Section 282 Resolution**") following the grant of the Vesting Orders, the approval of a Liquidator's Section 282 Resolution by the Owners (the "**Fourth Vendor's Condition**") within **THIRTY (30) days** of the Third Vendor's Condition being satisfied.

If the Second Vendor's Condition, the Third Vendor's Condition and, the Fourth Vendor's Condition are not satisfied within the times provided, the Agreement shall become null and void. In such an event, and subject to paragraph 10, the Deposit will be returned to the Purchaser immediately.

(e) 100% Approval of 80% Vote Resolution: The parties acknowledge and agree that the procedures associated with the Second Vendor's Condition and Third Vendor's Condition are necessary to effect a sale of land within a strata plan where 80% or more, but less than 100%, of the owners of strata lots wish to appoint a liquidator to wind up the strata corporation and sell the land within the strata plan.

If, at any time, 100% of the Owners decide that they wish to have all the land within Strata Plan VR456 sold pursuant to the terms of the Agreement, then at the option of the Administrator, the Liquidation Process will be suspended or will not be used to complete the sale and purchase of the Property and, instead, the Purchaser, as purchaser, will enter into a new or amended Agreement with all such Owners, as vendors, with such changes to the Agreement as may be required to provide that the Owners will be the vendors thereunder, to delete the Second

Vendor's Condition and Third Vendor's Condition and to provide that, to the extent the Deposit payments contemplated in Section 5(b) have not already been paid, they will be payable on the later of the date on which the Purchaser's Conditions are satisfied or waived by the Purchaser and the date which is three (3) business days after the execution and delivery of the new or amended Agreement by the Purchaser and all the Owners.

Provided that, if the new or amended Agreement is not executed and delivered by all of the Owners within thirty (30) days after the date on which the Strata Corporation has advised the Purchaser that all of the Owners have agreed to sell their strata lots to the Purchaser, then the Liquidation Process will be resumed.

7. Communications: The Purchaser acknowledges that all communications with the Vendor regarding the subject matter of this LOI shall, as long as the Administrator's appointment continues, take place only through the Administrator or Goodman, unless otherwise directed by the Administrator in writing.
8. Return of Vendor's Materials: All copies of the Vendor's Materials will be returned to the Vendor or destroyed if the Agreement is not executed within the time provided.
9. Closing: The Closing will occur on a date to be agreed between the parties, not later than **ONE HUNDRED TWENTY (120)** days after satisfaction of the Vendor's Fourth Condition.
10. Costs: The Purchaser acknowledges that the Vendor will need to incur significant costs to complete the sale of the Property to the Purchaser with the assistance of the Liquidator (the "**Vendor's Completion Costs**").

Within 5 business days of the satisfaction of the Third Vendor's Condition and the Fourth Vendor's Condition, in accordance with the Agreement, the Purchaser will assist the Vendor in paying such Vendor's Completion Costs by providing all necessary instructions to the Purchaser's solicitor to release from the Deposit up to **\$35,000.00** in aggregate, to pay the Vendor's Completion Costs, including legal and Liquidator's fees as incurred. Notwithstanding paragraph 5 and 7 of this LOI, all such funds released from the Deposit will be non-refundable.

Otherwise, the Purchaser and the Vendor will each bear their own expenses in connection with this Letter of Intent and the purchase and sale of the Property.

11. Confidentiality: Except as contemplated in paragraph 12(b) or as otherwise may be necessary to disclose to the BC Supreme Court to satisfy the Vendor's Second Condition and the Third Vendor's Condition, all negotiations regarding the Property will be confidential and will not be disclosed to anyone other than the Owners, and the respective advisors and internal staff of the parties and necessary third parties, such as lenders approached for financing.

Q *RS*

12. Next Steps: Upon execution of this Letter of Intent:

- (a) Each of the Purchaser and the Vendor will act honestly, diligently and in good faith in their respective endeavors to negotiate, settle and execute the Agreement within **Fourteen (14) days** following the waiver or satisfaction of the First Vendor's Condition. The Purchaser acknowledges that, given the nature of the Vendor as a strata corporation established under the SPA, the Agreement will contain very few of the representations and warranties contained in a typical agreement of purchase and sale;
- (b) The Vendor will:
 - (i) call a meeting of the Owners pursuant to paragraph 6(a) of this LOI;
 - (ii) take such other steps as the Administrator deems necessary to:
 - A. inform the Owners of the transaction contemplated herein, and to ascertain the level of support to proceed;
 - B. identify issues which should be addressed in the Agreement; and
 - C. keep the Purchaser informed as to the foregoing; and
- (c) The Purchaser will diligently pursue satisfaction of the Purchaser's First and Second Conditions.

13. Assignment: The Vendor and the Purchaser agree that:

- (a) this letter of intent must not be assigned without the written consent of the Vendor (except for assignment to an affiliate of the Purchaser); and
- (b) the Vendor is entitled to any profit resulting from an assignment of this letter of intent by the Purchaser or any subsequent assignee. No assignment will release the Purchaser from its obligations hereunder.

Notwithstanding the foregoing in this paragraph 14, the Purchaser shall have the right to assign this LOI / the Agreement to a company that is an affiliate of the Purchaser, and which the Purchaser or an affiliate of the Purchaser is no less than a 50% owner of the issued and outstanding shares thereof (with Affiliate having the meaning ascribed to it in the Business Corporation Act (British Columbia)) or other affiliated entity of the Purchaser, provided that notice of such assignment is provided to the Vendor within a reasonable period of time prior to application to approve the Vesting Order so that such assignment may be incorporated therein, and upon such assignment being made it is understood and agreed that the Purchaser shall not be relieved of any and all covenants, obligations and/or liabilities herein contained and the Vendor agrees to complete the transaction herein with the said assignee as if the assignee were the original named

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Purchaser. In the event that the Purchaser assigns this LOI/the Agreement as permitted by this paragraph 13, the Purchaser will forthwith provide notice in writing to the Administrator and, if appointed, the Liquidator.


14. Not a Binding Agreement: This LOI (except paragraphs 5 (a), 11, 12, 13, 14 hereof) does not create a binding contract and will not be enforceable. Only the definitive Agreement, duly executed and delivered by the Vendor and the Purchaser, will be enforceable.
15. As is: The Purchaser will acquire the Property on the Closing Date in "as-is" condition, as of the date of satisfaction or written waiver of the Purchaser's Conditions.
16. No Warranties: The Purchaser has relied solely upon its own due diligence examinations and inquiries and acknowledges that the Vendor has made no warranty or representation with respect to the state or condition of the Property upon which the Purchaser has relied.
17. Occupancies after Closing: Any Strata Lot owner who executed and delivers to the Purchaser, on or before the Closing Date, an owners' agreement (the "Owner's Agreement") in the form to be attached to the Agreement may, following the Closing Date, continue to remain in possession of the dwelling unit consisting of the Strata Lot which was owned by such owner prior to the cancellation of the Strata Plan rent free (but such owner will be responsible for utilities), until no later than the date (the "Delayed Possession Date") which is four (4) months following the Closing Date, and, subject to the following paragraph, the Purchaser will have vacant possession of such Strata Lot from and after the Delayed Possession Date. For greater certainty, any Strata Lot owner who does not execute and deliver to the Purchaser an Owner's Agreement on or before the Closing Date will be required to vacate the Property on or before the Closing Date.
18. Agency Disclosure:
 - (a) The Purchaser hereby acknowledges that **Goodman** represented by Mark Goodman PREC, and Cynthia Jagger PREC (collectively the "**Designated Agents**") have an agency agreement to represent the Vendor as a client in respect of the transaction contemplated herein; and the Purchaser hereby further acknowledges and confirms that **Goodman** and the Designated Agents have no agency relationship with the Purchaser and thereby confirms that they are an Unrepresented Party in accordance with the *Real Estate Services Act* of British Columbia.
19. Sales Commissions: The Vendor will be solely responsible for payment of a sales commission to Goodman in connection herewith.

20. Acceptance: If the Strata Corporation is agreeable to the foregoing terms, please sign and return a duplicate copy of this Letter of Intent by no later than by 5:00 p.m. ~~August~~ *September* 25th, 2020. An electronically transmitted copy is acceptable.

Yours truly,

Butterscotch Holdings Inc.

Per: 

The above terms are accepted this _____ day of _____, 2020.

THE OWNERS, STRATA PLAN VR456

Per: _____
Garth Cambrey, Administrator



This is Exhibit "Q" referred to in the affidavit of
Mark Goodman, affirmed before me on
June , 2021

A Commissioner for Taking Affidavits
in British Columbia

Qc

From: [Mark Goodman](#)
To: [Megan Buchanan](#)
Subject: Fwd: FW: VR 456 Sales Comps
Date: Wednesday, May 12, 2021 1:43:37 PM
Attachments: [Image002.png](#)
[Order-Vintage \(1990-2005\).xlsx](#)
[New-Vintage \(2005+\).xlsx](#)
[Similar-Vintage \(1970-1990\).xlsx](#)

CAUTION: This email originated from outside of the organization. Do not click on links or open attachments unless you recognize the sender and know the content is safe.

Mark Goodman
 Principal
 Personal Real Estate Corporation
Direct: 604 714 4790
goodmanreport.com

Goodman Commercial Inc.
 560-2608 Granville Street
 Vancouver V6H 3V3
 Office: 604 558 5511

----- Forwarded message -----

From: **J. Garth Cambrey** <gcambrey@shaw.ca>
Date: Wed, Oct 7, 2020 at 10:40 AM
Subject: FW: VR 456 Sales Comps
To: Paul Mendes <pem@lmfaw.ca>
Cc: Amanda Magee <amm@lmfaw.ca>, <mark@goodmanreport.com>

Paul,

The purchaser has advised Mark Goodman that the proposed sales price of \$3.9 million will not work.

I just spoke with Mark about this and he is waiting for Butterscotch to come back with a revised sales price. We can discuss next steps after we have that information.

Garth



From: Mark Goodman [mailto:mark@goodmanreport.com]
Sent: Wednesday, October 07, 2020 10:11 AM
To: J. Garth Cambrey
Cc: Cynthia Jagger; Manraj Dosanjh
Subject: FW: Spruce Sales Comps

Hi Garth,

Just got this note. I will report back to you when I learn more.

Regards,

Mark Goodman
Principal
Personal Real Estate Corporation
Direct: 604 714 4790
[goodmanreport.com](mailto:mark@goodmanreport.com)

Goodman Commercial Inc.
560-2608 Granville Street
Vancouver V6H 3V3
Office: 604 558 5511

From: Rahoul Sharan <rahoulsharan@gmail.com>
Sent: Wednesday, October 7, 2020 9:39 AM
To: 'Mark Goodman' <mark@goodmanreport.com>
Cc: 'Nevin Sangha' <nevin@carterame.com>
Subject: FW: Spruce Sales Comps

Mark,

We are having a hard time making the numbers at Spruce work at \$3.9m purchase price. Our analysis so far, with a lot of unknowns still is as follows:

Purchase price: \$3.9m

Outside repair: \$1.6m

Inside repairs: \$0.6m

Total: \$6m all in costs

As you can see below the current estimated market value would be around \$1,000/sq ft or \$6m total. This leaves no room for any profit, cost of money or our time.

Please call me to discuss.

Thanks,

Rahoul

The attached spreadsheets show all attached sales over the last six months in the following mapped region. I broke it up into three segments by vintage: 1970-1990 (similar vintage to Spruce, showing as-is value), 1990-2005, and 2005+ (meant to show a ceiling).

It'd be tough to push \$1,100 PSF - you can get new condo product for that price. Benefits of Spruce, which may allow you to push slightly beyond these averages, are its location and a whole floor per unit. Downside is, of course, clear history of building condition issues.

Region Mapped

**This is Exhibit "R" referred to in the affidavit of
Mark Goodman, affirmed before me on
June , 2021**

A Commissioner for Taking Affidavits
in British Columbia

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PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is dated for reference November 6, 2020.

Between:

BUTTERS COTCH HOLDINGS INC.

(hereinafter called the "Purchaser")

And:

THE OWNERS, STRATA PLAN VR456

(hereinafter called the "Vendor")

WHEREAS:

- A. the Vendor is a strata corporation (the "Strata Corporation") established under the *Strata Property Act*, SBC 1998, c. 43, as amended (the "SPA") and represented by its Administrator (the "Administrator"), Garth Cambrey, pursuant to an order of the B.C. Supreme Court, dated April 17, 2020 (collectively the "Administrator Order") in the matter of *Mackinnon and others v. The Owners, Strata Plan VR456*, BCSC New Westminster Registry No. S222743, who may contractually bind the Strata Corporation in accordance with authority granted to the Administrator pursuant to the Administrator Order;
- B. the Administrator has the power to cause the Strata Corporation to enter into this Agreement with the Purchaser, provided that certain decisions of the Administrator are conditional upon obtaining the approvals required under the SPA;
- C. the Administrator Order authorizes the Administrator to proceed with the transaction contemplated by this Agreement by way of the process described in Division 2 of Part 16 of the SPA, being a "Voluntary Winding Up With Liquidator". Alternatively, the Administrator may apply to the Supreme Court of British Columbia (the "BCSC") to attend the Administrator Order to allow the Administrator to proceed with the transaction contemplated by this Agreement by way of the process described in Division 3 of Part 16 of the SPA, being an "Involuntary Winding Up With Liquidator", or the transaction contemplated in Schedule D [Icons of 100% Approval of Sale] of this Agreement. The provisions of this Agreement will be interpreted so as to give effect to the sale and purchase of the Property pursuant to the winding up, whether pursuant to Division 2 or Division 3 of Part 16 of the SPA; and
- D. the Purchaser wishes to purchase all of the legal and beneficial interest in the Property (as defined in Section 1.1(c)) and, subject to compliance with the requirements of the SPA, the Vendor wishes to sell, to the extent permitted by Division 2 and/or Division 3 of Part 16 of the SPA, all of the legal and beneficial interest in the Property to the Purchaser on the terms and conditions set out herein.

NOW THEREFORE, in consideration of the premises and mutual covenants, agreements, conditions and provisos contained herein, and the payment of Ten Dollars (\$10.00) by each of the parties to the

other, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties covenant and agree with each other as follows:

1. PURCHASE AND SALE

1.1 The parties acknowledge and agree that:

- (a) this Agreement is being entered into by the Vendor pursuant to an intended winding up of the Vendor with a liquidator pursuant to Division 2 and/or Division 3 of Part 16 of the SPA, and the provisions of this Agreement will be interpreted so as to give effect to the sale and purchase of the Property pursuant to the said winding up;
- (b) the Liquidator (as defined in Section 1.1(c)) must be appointed to effect the voluntary winding up of the Vendor and the sale and purchase of the Property as contemplated by this Agreement. In the event that the First Mutual Condition (as defined in Section 3 of ~~Error Reference source not found.~~) is satisfied and the Liquidator is appointed pursuant to the SPA, the parties acknowledge and agree that this Agreement will be subject to review and comment by the Liquidator and its solicitors, and the parties agree to make such technical and procedural amendments to this Agreement as are reasonably requested by the Liquidator and its solicitors to facilitate the sale and purchase of the Property on the terms contemplated herein, provided that the failure to make any such amendments will not affect the validity or enforceability of this Agreement, which will remain binding on the parties hereto;
- (c) if 100% of the Owners (as defined in Section 5.1(a)) approve the sale and purchase of the Property, then subject to any contrary direction of the BCSC, at the option of the Administrator on behalf of the Vendor, the Liquidation Process (as defined in Section 5.1(b)) will be suspended, and the Purchaser may enter into individual contracts of purchase and sale for each of the Strata Lots, as provided in Schedule D (Terms of 100% Approval of Sale) of this Agreement;
- (d) the Vendor agrees to cause:
 - (i) all of the Owners' rights, title and interest in and to the Property to be transferred to and vested in the Liquidator; and
 - (ii) the Liquidator to sell and transfer the Property to the Purchaser,
 and the Purchaser agrees to purchase the Property from the Liquidator, in all cases free and clear of registered and unregistered legal notations, charges, liens, interests, claims, judgments, charges, caveats, and encumbrances whatsoever save and except for the Permitted Encumbrances, for the Purchase Price and upon the terms and conditions in this Agreement;
- (e) in this Agreement:
 - (i) "Administrator's Solicitors" means the law firm of Lesperance Mendes Lawyers, provided that if the Vendor or the Liquidator appoints a different firm

of solicitors to represent it in connection with the transactions hereunder, then "Administrator's Solicitors" will be deemed to include such solicitors as the context requires;

- (ii) **"Buildings"** means all buildings, structures and improvements on the Lands;
- (iii) **"Closing Date"** means, subject to Section 5 of Schedule D, the date that is 120 days after the date on which the Third Mutual Condition (as defined in Schedule B) is satisfied;
- (iv) **"Deposit"** means, collectively, the First Deposit, the Second Deposit and the Third Deposit;
- (v) **"First Deposit"** means the sum of \$100,000.00;
- (vi) **"First Mutual Condition Waiver Date"** means the date that is 210 days after the date of the mutual execution and delivery of this Agreement by the Purchaser and the Vendor, provided the Administrator may, by written notice to the Purchaser, extend the First Mutual Condition Waiver Date from time to time by up to a total of 180 additional days in the aggregate;
- (vii) **"Lands"** means the parcel of land which results from the cancellation of Strata Plan VR456 (the **"Strata Plan"**), and which consists of all land shown on the Strata Plan. For greater certainty, the Lands will include all of the lands and premises which are currently legally described as follows:
 - Strata Lots 1 – 6 (inclusive)
 - District Lot 326
 - Strata Plan VR. 456

together with an interest in the common property in proportion to the unit entitlement of the strata lot as shown on Form 1

(collectively, the **"Strata Lots"**)

-and-

The Common Property of Strata Plan VR456

(the **"Common Property"**);
- (viii) **"Liquidator"** means the liquidator appointed in respect of, and vested with the ownership of, the Property in furtherance of the terms hereof;
- (ix) **"LOI"** means the letter of intent mutually executed by the Vendor and the Purchaser on September 22, 2020;

- (x) "Permitted Encumbrances" means the charges, reservations, and restrictions set out in Schedule A hereto;
 - (xi) "Property" means, collectively, the Lands and the Buildings;
 - (xii) "Purchaser's Solicitors" means the law firm of Madatsky & Company Business Lawyers LLP;
 - (xiii) "Second Deposit" means the sum of \$100,000.00;
 - (xiv) "Second Mutual Condition Waiver Date" means the date that is 60 days after the satisfaction of the First Mutual Condition, provided the Administrator may, by written notice to the Purchaser, extend the Second Mutual Condition Waiver date from time to time by up to a total of 90 additional days in the aggregate;
 - (xv) "Service Contracts" means agreements entered into by the Vendor concerning the furnishing of supplies or services to the Property or concerning management or operation of the Property;
 - (xvi) "Third Deposit" means the sum of \$100,000.00; and
 - (xvii) "Third Mutual Condition Waiver Date" means the date that is 30 days after the grant of the Vesting Order;
- (f) the Vendor and the Purchaser agree that, except as contemplated by Schedule D, all negotiations and other dealings regarding the potential winding up and sale of the Property (including any State Lots therein), will be conducted solely between the Vendor and the Purchaser, or their authorized agents and administrators. Notwithstanding any other term of this Agreement, the Purchaser acknowledges and agrees that all communications with the Vendor regarding this Agreement shall, as long as the Administrator's appointment continues, take place only through the Administrator or the Agent (as defined in Section 14.1(a)), unless otherwise directed by the Administrator in writing.

2. PURCHASE PRICE AND PAYMENT

- 2.1 The purchase price for the Property ("Purchase Price") shall be the sum of Three Million Three Hundred Thousand Dollars (\$3,300,000), exclusive of GST, subject to adjustments as provided in Section 4.3.
- 2.2 The Purchaser will pay the Purchase Price as follows:
- (a) as to the First Deposit, which amount has previously been paid by the Purchaser to the Purchaser's Solicitors and which shall continue to be held by the Purchaser's Solicitors in trust in an interest-bearing account as a stakeholder on behalf of the parties, pending completion of the sale and purchase of the Property or other termination of this Agreement;

- (b) as to the Second Deposit, by payment thereof by the Purchaser to the Purchaser's Solicitors within five business days after the date of the mutual execution and delivery of this Agreement by the Purchaser and the Vendor, to be deposited and held by the Purchaser's Solicitors in trust in an interest bearing account as a stakeholder on behalf of the parties, pending completion of the sale and purchase of the Property or other termination of this Agreement;
- (c) as to the Third Deposit, by payment thereof by the Purchaser to the Purchaser's Solicitors within five business days after the satisfaction of the First Mutual Condition, to be deposited and held by the Purchaser's Solicitors in trust in an interest bearing account as a stakeholder on behalf of the parties, pending completion of the sale and purchase of the Property or other termination of this Agreement; and
- (d) as to the balance of the Purchase Price, subject to adjustment as provided in Section 4.3, by payment of such amount by the Purchaser to the Vendor on the Closing Date in accordance with the provisions of this Agreement.

The Deposit, together with all interest accrued thereon, will be credited to the Purchase Price and will be paid to the Liquidator if the sale and purchase of the Property contemplated herein is completed in accordance with the terms hereof.

The Deposit paid, together with all interest accrued thereon, will be:

- (i) forfeited to the Vendor if the Purchaser is in default of its obligation to complete the sale and purchase of the Property hereunder as liquidated damages (the parties hereby agreeing that such amount constitutes a genuine pre-estimate of costs and damages) and as the Vendor's sole and exclusive remedy; or
- (ii) paid in full to the Purchaser, without prejudice to any other right or remedy of the Purchaser, in the event that the Purchaser elects to terminate this Agreement due to the Vendor being in default of its obligation to complete the sale and purchase of the Property hereunder. For clarity, the Deposit paid to the Purchaser under this part will include any amount of the Deposit released to the Vendor as set out in this Agreement.

The Deposit, together with all interest accrued thereon, will be returned to the Purchaser if any of the conditions precedent set out in Schedule B to this Agreement is not satisfied or waived in accordance with Schedule B. See Schedule B for additional provisions relating to the Deposit.

3. CONDITIONS PRECEDENT

- 3.1 The obligation of the parties to complete the purchase of the Property on the Closing Date is subject to and conditional upon the conditions precedent set out in Schedule B attached hereto being satisfied or waived by the appropriate party or parties within the time or times specified therein.

4. COMPLETION, POSSESSION AND ADJUSTMENTS

4.1 Completion

The completion of the transactions contemplated by this Agreement will occur on the Closing Date or such other date as may be mutually agreed to in writing by the Vendor and the Purchaser.

4.2 Possession

- (a) The Purchaser will have vacant possession of the Property free and clear of registered and unregistered legal notations, liens, interests, claims, judgments, charges, caveats, encumbrances, and tenancies whatsoever save and except for the Permitted Encumbrances (subject to the provisions of this Agreement related to clearing title of the Owners' financial encumbrances and subject to Section 4.2(c)) immediately upon completion of the sale and purchase of the Property.
- (b) The Purchaser and the Vendor confirm and agree that the Purchase Price and the Property include any washers, dryers, refrigerators, ovens, stoves and built in dishwashers within any of the Strata Lots as of the date hereof.
- (c) Notwithstanding Section 4.2(a), if an Owner executes and delivers to the Purchaser, on or before the Closing Date, an owner's agreement (the "Owner's Agreement") in the form attached hereto as Schedule E, that Owner may, following the Closing Date, continue to remain in possession of the dwelling unit consisting of the Strata Lot which was owned by such Owner before the cancellation of the Strata Plan (the "Owner's Strata Lot") rent free (but such Owner will be responsible for utilities), until no later than the date (the "Initial Delayed Possession Date") which is four (4) months following the Closing Date, and the Purchaser will have vacant possession of such Owner's Strata Lot from and after the Initial Delayed Possession Date. For greater certainty, any Owner who does not execute and deliver to the Purchaser an Owner's Agreement on or before the Closing Date will be required to deliver vacant possession of that Owner's Strata Lot on or before the Closing Date. Any continued occupancy of the Owner's Strata Lot after the Initial Delayed Possession Date will be subject to agreement as to the terms of such arrangement between the Owner and the Purchaser, in their sole discretion.
- (d) The Vendor agrees to make commercially reasonable efforts to pass a bylaw amendment that prohibits an Owner from entering into a tenancy agreement in respect of such Owner's Strata Lot that is not a month-to-month tenancy or that provides for a term ending later than the Closing Date.

4.3 Adjustments

All usual adjustments of taxes, rates, local improvement assessments and other charges and all other costs normally adjusted for on a sale of property similar to the Property, both incoming and outgoing, will be made as of 12:01 a.m. on the Closing Date. The Vendor will receive the benefit of all income and will be responsible for all expenses incurred in operating and maintaining the Property incurred for and attributable up to 11:59 p.m. on the day preceding the Closing Date and the Purchaser will receive the benefit of all income and be responsible for

all expenses from and including the Closing Date. The Vendor will provide or cause to be provided to the Purchaser and the Purchaser's Solicitors, promptly on request, any information required by them, acting reasonably, in order to prepare the statement of adjustments (the "Statement of Adjustments"). The Vendor acknowledges and agrees that the Vendor will not be entitled to an adjustment in respect of strata fees paid by Owners to the Vendor for the month in which this transaction completes.

5 ACKNOWLEDGEMENT OF LIQUIDATION PROCESS

5.1 The Purchaser and Vendor acknowledge and agree as follows:

(a) as of the date hereof, the Lands consist of the Strata Lots and the Common Property and each Strata Lot is owned by an owner (collectively for all Strata Lots, the "Owners" and each an "Owner"). The Strata Lots and the Common Property are included in the Strata Plan. The Owners are members of the Strata Corporation. The parties intend that, subject to Section 6 of this Agreement, prior to the Closing Date, the Liquidator will be appointed by the Vendor to cancel the Strata Plan and wind up the Strata Corporation in accordance with Division 2 and/or Division 3 of Part 16 of the SPA and that, on the Closing Date:

(i) the Strata Plan will be cancelled in accordance with the SPA, upon which cancellation the Lands will consist of a single parcel, the title to which will vest in the Liquidator; and

(ii) the Liquidator will transfer the Property to the Purchaser.

The intention of the Vendor and the Purchaser is that the Purchaser will only be required to deal with the Liquidator and its solicitors in connection with completing the purchase and sale of the Property and that, except as provided in Schedule D [Terms of 100% Approval of Sale] of this Agreement, the Purchaser will not deal directly with any of the Owners or their solicitors. The terms of the Liquidator's appointment will provide that, once the title to the Property vests in the Liquidator, the Liquidator will assume the Vendor's rights and obligations under this Agreement, subject to the requirements of the SPA and the provisions of the Vesting Order, as defined in Section 5.1(b).

(b) subject to the Mutual Conditions being satisfied, the Vendor will take such steps and do such acts as are required under the SPA in order to appoint the Liquidator and, further to the Purchaser's Conditions being satisfied or waived, cause the Liquidator to, on or before the Closing Date, cancel the Strata Plan and transfer title to the Property to the Purchaser, and, without limiting the generality of the foregoing, the Vendor agrees to take the following steps (such steps being herein referred to as the "Liquidation Process"):

(i) prior to the First Mutual Condition Waiver Date:

a. the Vendor will hold one or more annual or special general meeting (the "General Meeting") of the Strata Corporation for the purpose of passing such resolutions as may be required to give effect to the transaction contemplated herein, including, without limitation:

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- i. a resolution (the "**Winding Up Resolution**"), by 80% vote, under section 277 of the SPA, approving, among other things, the appointment of the Liquidator to wind up the Strata Corporation, the cancellation of the Strata Plan, the dissolution of the Strata Corporation, the surrender to the Liquidator of each Owner's interest in the Property and any personal property held by the Strata Corporation on behalf of each Owner and an interest schedule which complies with the requirement set out in section 278 of the SPA;
- ii. a resolution (the "**Funding Resolution**"), by 2/3 vote, pursuant to section 96 and/or section 108, as applicable, of the SPA approving the expenditure of funds from the contingency reserve fund and/or by special levy for the purposes of paying the Strata Corporation's costs and expenses associated with the purchase and sale of the Property pursuant to the terms of this Agreement;
- iii. a resolution (the "**Transfer Resolution**"), by 2/3 vote, pursuant to section 282 of the SPA, approving the transfer of the Property to the Purchaser pursuant to the terms and conditions of this Agreement;
- iv. a resolution (the "**Approval Resolution**"), by 2/3 vote, approving and ratifying the terms and conditions of this Agreement and the execution and delivery of this Agreement by the Vendor,

(the Winding Up Resolution, the Funding Resolution, the Transfer Resolution and the Approval Resolution are collectively referred to herein as the "**Required Resolutions**"); and

- b. in the event the Vendor fails to pass the Required Resolutions at the General Meeting, the Administrator may apply to the BCSC for an order appointing the Liquidator to wind up the Strata Corporation pursuant to Division 3 of Part 16 of the SPA (the "**Division 3 Order**"). Within 30 days after the General Meeting, the Administrator will give the Purchaser written notice of its election to apply for or not apply for the Division 3 Order;

(ii) the Vendor will:

- a. in the event that the Required Resolutions are passed by the Owners, apply to the Supreme Court, pursuant to section 278.1 of the SPA, for an order (the "**Winding Up Confirmation Order**") confirming the Winding Up Resolution; and
- b. promptly following the grant of the Winding Up Confirmation Order or the Division 3 Order (as the case may be), cause the Liquidator to apply to the

Supreme Court, pursuant to section 279 of the SPA, for a vesting order (the "Vesting Order"), which, *inter alia*:

- i. confirms the appointment of the Liquidator (as necessary);
- ii. vests in the Liquidator title to the Property for the purpose of selling the Property to the Purchaser pursuant to this Agreement and distributing the proceeds as set out in the interest schedule referred to above;
- iii. requires the Property to be vacant in accordance with Section 4.2; and
- iv. directs the Land Title Office to cancel the Strata Plan and vest the Property in the Liquidator without requiring the discharge of any encumbrances from the Strata Lots or the Common Property or the extension of any financial encumbrances charging a Strata Lot over the balance of the Lands (it being understood that the Liquidator's obligations pursuant to Section 5.1(i)(iii)b.vi will apply),

and promptly thereafter cause the Liquidator to set the application for the Vesting Order down for hearing by the BCSC; and

(iii) upon receipt by the Liquidator of the Vesting Order, the Vendor will:

- a. hold an annual or special general meeting of the Strata Corporation for the purpose of passing a resolution, by $\frac{3}{4}$ vote, pursuant to section 282 of the SPA, approving the transfer of the Property to the Purchaser pursuant to the terms and conditions of this Agreement, unless the Liquidator is of the opinion that the Transfer Resolution is sufficient and it is not legally required to obtain a further $\frac{3}{4}$ vote resolution to approve the disposition of the Property and any other land and/or personal property in accordance with section 282 of the SPA following the grant of the Vesting Order, as confirmed by the Liquidator to the Purchaser in writing; and
- b. cause the Liquidator:
 - i. to not file or otherwise deal with the Vesting Order in any manner except in accordance with Section 31 of this Agreement, provided that, if the Purchaser defaults in its obligation to complete the purchase of the Property pursuant to this Agreement, the Liquidator will no longer be bound by this obligation;
 - ii. to execute the closing documents set out in Section 9 of this Agreement, as required;
 - iii. on the Closing Date, to deposit a certified copy of the Vesting Order and the interest schedule (together, the "Vesting

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Application) with the registrar under the *Land Title Act* (British Columbia) for the purpose of cancelling the Strata Plan and vesting in the Liquidator title to, *inter alia*, the Property, in accordance with Section 11 of this Agreement;

- iv. on the Closing Date, to transfer the Property to the Purchaser in accordance with Section 11 of this Agreement;
 - v. to provide such notifications as are required under section 220(3) of the SPA;
 - vi. to arrange for the holders of financial encumbrances or other non-permitted encumbrances on title to the Lands to be paid out from the net sales proceeds due to the Vendor hereunder and clear title of such financial encumbrances in accordance with Section 13; and
 - vii. to distribute the net sale proceeds, after the pay-out and discharge of existing financial encumbrances and any other expenses or permitted deductions, to or as directed by the Owners in accordance with the interest schedule included in the Vesting Application;
- (c) the Vendor will provide, and cause the Liquidator to provide, to the Purchaser timely, ongoing and fulsome updates and information with respect to the foregoing process, and, upon the request of the Purchaser, true copies of any notices, resolutions, approvals, applications, orders, instruments or other documents relating to the foregoing; and
- (d) the Vendor will do, and cause the Liquidator to do, all other acts and things, and execute and deliver such documents and instruments, as may be necessary in order to give effect to the foregoing.

6 100% APPROVAL OF SALE

- 6.1 If, at the meeting to approve the Required Resolutions, the Required Resolutions are approved by the Owners of 100% of the Strata Lots, then the provisions of Schedule D [Terms of 100% Approval of Sale] shall apply.

7 REPRESENTATIONS, COVENANTS AND WARRANTIES

- 7.1 The Vendor hereby makes the representations and warranties set out in Section 1 of Schedule C attached hereto and the covenants set out in Section 2 of Schedule C.
- 7.2 The Purchaser hereby makes the representations and warranties set out in Section 3 of Schedule C attached hereto.

8. RISK

- 8.1 The Property shall be at the risk of the Vendor until the Transfer (as defined in Section 9.1) is filed for registration in the applicable Land Title Office, and thereafter at the risk of the

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Purchaser. The Vendor, or the Liquidator on behalf of the Vendor, will hold all insurance policies and the proceeds thereof in trust for the parties as their respective interest may appear pending the Closing Date.

9. CLOSING DOCUMENTS

- 9.1 On or before the Closing Date, the Vendor will cause the Administrator's Solicitors or the Liquidator's solicitors to deliver to the Purchaser's Solicitors the following items, duly executed by the Vendor and the Liquidator, as applicable, or such other parties as set out below and in registrable form whenever appropriate, to be dealt with in accordance with Section 11 of this Agreement:
- (a) a Form A – Freehold Transfer (the "Transfer") conveying the Lands to or as directed by the Purchaser, duly executed by the Liquidator;
 - (b) a Vendor's Statement of Adjustments prepared in accordance with Section 4.3 of this Agreement;
 - (c) an assignment of all development rights (the "Assignment of Development Rights") in respect of the Property including, without limitation, all permits, licenses, plans, specifications, applications, studies, surveys, reports, approvals, and all other documents and rights in respect of the Property;
 - (d) an assignment of any subsisting warranties or guarantees in respect of the Property and any work performed in respect thereof (the "Assignment of Permits and Warranties");
 - (e) an assignment (the "Assignment of Service Contracts") to the Purchaser of all Service Contracts that the Purchaser has elected to acquire;
 - (f) a copy of the notices by which the Liquidator has terminated the Service Contracts excepting those only, if any, which the Purchaser has elected to assume;
 - (g) an assignment of all permitted tenancies that have not been terminated as of the Closing Date (the "Tenancies Assignment");
 - (h) a certificate, dated as of the Closing Date, that certifies that the Vendor has complied with all of its obligations under this Agreement in all material respects and that each of the warranties and representations of the Vendor set out herein is true and accurate in all material respects on the Closing Date;
 - (i) one or more Certificates as to GST Exempt Use Residential Property: Vendor is Not Builder with respect to the Strata Lots;
 - (j) statutory declarations that are usual and customary for real estate transactions of the nature set out in this Agreement and may be required by the Liquidator or the Purchaser, each acting reasonably, or which are reasonably necessary to complete the purchase and sale of the Property, including statutory declarations as to residency, the provincial Speculation and Vacancy Tax, and the municipal Empty Homes Tax; and

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(k) such further deeds, acts, things, certificates and assurances as may be requisite in the reasonable opinion of the Purchaser's Solicitors, the Administrator's Solicitors or the Liquidator's solicitors for more perfectly and absolutely assigning, transferring, conveying and assuring to and vesting in the Purchaser, title to the Property free and clear of registered and unregistered legal obligations, charges, liens, interests, claims, judgments, charges, caveats and encumbrances whatsoever save and except for the Permitted Encumbrances as contemplated herein,

together with, if required by the Land Title Office in connection with registration of the Vesting Order, a reference plan (the "Plan") of the single parcel comprising the Property which reference plan will be prepared by a British Columbia land surveyor at the request and expense of the Vendor.

9.2 On or before the Closing Date, the Purchaser will cause the Purchaser's Solicitors to deliver to the Administrator's Solicitors or the Liquidator's solicitors the following netts, duly executed by the Purchaser and in registrable form whenever appropriate:

- (a) any document referred to in Section 9.1 which requires execution by the Purchaser;
- (b) a certificate of an officer of the Purchaser on the Closing Date that each of the warranties and representations of the Purchaser set out herein is true and accurate on the Closing Date except as disclosed therein; and
- (c) such further deeds, acts, things, certificates and assurances as may be requisite in the reasonable opinion of the Purchaser's Solicitors, the Administrator's Solicitors or the Liquidator's solicitors for more perfectly and absolutely effecting the matters contemplated hereunder.

9.3 All documents referred to in Section 9.1 and 9.2 will be prepared by the Purchaser's Solicitors to the extent that preparation is required, in a form satisfactory to the Purchaser and the Vendor and their respective solicitors, each acting reasonably, when applicable, in a form suitable for registration in the appropriate offices of public record. The Vendor and the Purchaser will each deliver to or cause to be delivered to the other all such further documents and assurances as may be reasonably required to give full effect to the intent and meaning hereof.

9.4 Forthwith upon completion of the sale and purchase of the Property, the Vendor will deliver, or cause to be delivered, to the Purchaser all keys and like devices for the Building which are in the possession or control of the Vendor including, without limitation, master keys to all space located within the Building. For clarity, this Section 9.4 does not apply to the keys and like devices held by an Owner who remains in possession of the Owner's Strata Lot after the Closing Date in accordance with Section 4.2 of this Agreement for the duration of such possession.

10. AS IS WHERE IS AND PURCHASER'S DUE DILIGENCE

- 10.1 The Vendor will permit the Purchaser and the Purchaser's employees, engineers, agents and advisors to enter onto the Lands and the Buildings and carry out such inspections, tests, studies, surveys and investigations of the Property as the Purchaser may reasonably require. Any such inspections, tests, studies, surveys and investigations will be carried out during normal business hours, will not unduly interfere with any owners, tenants or occupants of the Lands or the Buildings and will not injure the Lands or Buildings. The Purchaser agrees to provide no less than 48 hours' notice of any intention to carry out inspections, tests, studies, surveys and investigations of the Property unless any such inspections, tests, studies, surveys and investigations require access to any of the Strata Lots, in which case no less than 7 business days' notice will be provided by the Purchaser to permit the Vendor to comply with its notice requirements to the Owners pursuant to the Vendor's bylaws (which requirements the Vendor will comply with immediately upon receipt of such notice from the Purchaser). The Purchaser will be responsible for and will indemnify the Vendor and/or any owners, tenants or occupants of the Building for all damages, costs, expenses resulting from property damage or injury caused by the Purchaser's actions. This indemnity will survive completion of the purchase and sale of the Property hereunder or any earlier termination hereof.
- 10.2 The Vendor will execute, or cause to be executed, and return to the Purchaser or the Purchaser's Solicitors as soon as is reasonably possible all consents or letters of authority which it may be necessary for the Vendor to execute in order for the Purchaser to conduct such due diligence searches or cause inspections or tests to be made with respect to the purchase of the Property as the Purchaser determines to be necessary, acting reasonably.
- 10.3 The Vendor hereby authorizes the Purchaser to make inquiries to the City of Vancouver or any other relevant authority in respect of the Property and the potential development thereof, and to enter into discussions and negotiations therewith with and to make applications thereto, in the name of the Vendor if required, for any rezoning of the Property or any permits required by the Purchaser in connection with the Purchaser's proposed development or redevelopment of the Property. The Vendor will fully cooperate with the Purchaser, including executing any applications, consents and other instruments and documents reasonably required by the Purchaser in connection with the foregoing. The Purchaser will not be entitled to commit the Vendor to the payment of any money which is not funded by the Purchaser or the payment of which has not been guaranteed by the Purchaser by cash deposit or letter of credit, or the dedication or transfer of any part of or interest in the Property in connection with any such applications of related approval process.
- 10.4 The Purchaser acknowledges and agrees that other than the representations and warranties made by the Vendor in this Agreement (including without limitation all Schedules hereto), the Vendor makes no representations or warranties respecting the Property or the condition, including environmental condition, thereof, and that the Purchaser is purchasing the same on an "as is, where is" basis and shall satisfy itself as to all aspects thereof. The Purchaser hereby waives, to the extent permitted by law, any requirement for the Vendor to obtain or provide to the Purchaser a "site profile" for the Lands under the *Environmental Management Act* (British Columbia) or any regulation in respect thereof.

11. CLOSING PROCEDURE

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- 11.1 On or before the Closing Date, the Purchaser will pay to the Purchaser's Solicitors in trust the amount provided for in Section 2.2(d) of this Agreement, less the amount to be advanced to the Purchaser under any mortgage financing arranged by the Purchaser.
- 11.2 Forthwith following receipt by the Purchaser's Solicitors of the payment pursuant to Section 11.1 and the documents and items referred to in Section 9.1 and receipt by the Administrator's Solicitors or the Liquidator's solicitors of the documents and items referred to in Section 9.2, on the Closing Date:
- (a) the Vendor will cause the Liquidator to file the Vesting Application and the Plan in the Land Title Office (on an all or nothing basis together with the Transfer); and
 - (b) concurrently with, but subsequent in sequence to, the filing of the Vesting Application and the Plan, the Purchaser will cause the Purchaser's Solicitors to file the Transfer in the Land Title Office concurrently with any security documents applicable to any mortgage financing arranged by the Purchaser in connection with the purchase of the Property.
- 11.3 Forthwith upon the following being completed:
- (a) the filings referred to in Section 11.2; and
 - (b) the Purchaser's Solicitors being satisfied as to title to the Lands after conducting a title search of the Lands disclosing only the following:
 - i. the existing title number to the Lands;
 - ii. the Permitted Encumbrances;
 - iii. pending number(s) assigned to the Vesting Application, the Plan and the Transfer;
 - iv. pending numbers assigned to any charges granted by the Purchaser; and
 - v. any charges with respect to which the Administrator's Solicitors or the Liquidator's solicitors have extended undertakings regarding the discharge and release of the same as contemplated in Section 13 of this Agreement.
- the Purchaser will cause the Purchaser's Solicitors to:
- vi. forthwith upon receipt by the Purchaser's Solicitors of the proceeds of any mortgage financing arranged by the Purchaser in connection with the sale and purchase of the Property, to deliver to the Administrator's Solicitors or the Liquidator's solicitors a certified trust cheque for the balance due to the Liquidator pursuant to Section 2.2(d) of this Agreement;
 - vii. release the Deposit to the Administrator's Solicitors or the Liquidator's solicitors; and

viii. release to the Purchaser all accrued interest on the Deposit,

and thereupon the Purchaser's Solicitors will be entitled to release the documents and items referred to in Section 9.1 of this Agreement to the Purchaser and the Administrator's Solicitors and the Liquidator's solicitors will be entitled to release the documents and items referred to in Subsection 9.2 of this Agreement to the Vendor or the Liquidator,

- 11.4 If there are any defects connected with the filings referred to above, the parties agree to use best efforts to correct the same to ensure full registration of the Vesting Application, the Plan and the Transfer as soon as possible after the Closing Date.
- 11.5 The Vendor acknowledges that (i) the Purchaser may obtain mortgage financing from one or more lenders (each, a "**Purchaser's Lender**"); to complete the purchase of the Property from the Vendor under this Agreement and (ii) the Purchaser's Lender may, in its sole discretion, be unwilling to permit the release of the loan proceeds from such mortgage financing (the "**Loan Proceeds**") to the Vendor before (A) the Vesting Application, the Plan and the Transfer is fully registered in the Land Title Office, (B) the Strata Plan being cancelled and (C) the title to a single parcel of land consisting of the Lands being raised in the Land Title Office with the Purchaser (or the entity to which the Purchaser directed title to the Lands to be conveyed) being disclosed as the registered owner of the Lands on a title search of the Lands (the foregoing requirements are collectively referred to herein as the "**Full Registration Requirements**"). Notwithstanding the procedure set out in Section 11.3, in the event that any Purchaser's Lender requires the Full Registration Requirements to be completed prior to permitting the Loan Proceeds to be advanced to the Vendor, then the Purchaser will not be obligated to pay the net sale proceeds until the Full Registration Requirements have been completed, and the procedure set out in Section 11.3 will be interpreted and construed to give effect to the foregoing, and, for greater certainty, Section 11.3(a) will be deemed to be amended to read: "(a) the filings referred to in Section 11.2 and the Full Registration Requirements, BUT ONLY IF any mortgage proceeds required to fund the transaction, are advanced to the Purchaser's Solicitors or the Purchaser's Lender's solicitors, in trust, concurrently with the Vesting Application and the Plan being filed in the Land Title Office, to be held in trust by the Purchaser's Solicitors or the Purchaser's Lender's solicitors on undertakings acceptable to the Purchaser's Solicitors, the Purchaser's Lender's solicitors and the Administrator's Solicitors, acting reasonably, but which undertakings shall in any event require that such funds will be paid to the Purchaser's Solicitors or directly to the Administrator's solicitors upon the events in Section 11.3(x) and 11.3(y) occurring".
- 11.6 It is a condition of this Agreement that all of the above requirements are concurrent requirements and it is specifically agreed that nothing will be completed on the Closing Date until everything required to be paid, executed and delivered on the Closing Date has been so paid, executed and delivered and until the Purchaser's Solicitors have satisfied themselves as to the Purchaser's title pursuant to this Section 11.

12. TAXES

- 12.1 With respect to GST exigible in respect of the purchase and sale of the Property:

- (a) the Vendor declares that the sale of the Property is exempt from GST under Section 2, Part I of Schedule V to the *Excise Tax Act* (Canada) (the "ETA");
- (b) the Vendor represents and warrants to the Purchaser that:
- i. the Property being sold hereunder is a "multiple unit residential complex" within the meaning of the term as defined for the purposes of the ETA;
 - ii. the Vendor is not a "builder", which the meaning of the term as defined for the purposes of the ETA, of the Property or any addition to the Property;
 - iii. neither the Vendor nor any Owner comprising the Vendor has undertaken a "substantial renovation" of the Property, within the meaning of that term as defined for the purpose of the ETA; and
 - iv. neither the Vendor nor any Owner comprising the Vendor has claimed nor will it claim any input tax credits for GST paid or payable in respect of the Vendor's or any Owner's last acquisition of the Property or any part thereof or in respect of any "improvement" to the Property, within the meaning of the term as defined for the purposes of the ETA.

12.2 The Vendor hereby represents and warrants that the Liquidator will not, on the Closing Date, be a non-resident of Canada for the purposes of the *Income Tax Act* (Canada) (the "ITA"). The Vendor acknowledges and agrees that, if the Vendor or any Owner is a non-resident of Canada for the purposes of the ITA, the parties are required to comply with the provisions of section 116 of the ITA in regard to the sale of the Property. If the Vendor fails to deliver to the Purchaser on or before the Closing Date, a certificate or certificates issued by the Canada Revenue Agency or any successor thereto ("CRA") pursuant to subsection 116(4) of the ITA in respect of the sale of the Property ("Certificate(s)"), and the Purchaser determines, based on advice from its tax consultants, that it is required to withhold a portion of the adjusted Purchase Price in accordance with section 116 of the ITA, then the Purchaser's Solicitors are irrevocably authorized and directed to hold back from the adjusted Purchase Price payable by the Purchaser hereunder such amount (the "Withholding Amount") as may be required to comply with the Purchaser's obligations under section 116 of the ITA and to pay to CRA the Withholding Amount or such lesser amount as CRA requires in order to issue the Certificate(s) to the Vendor, to pay the balance of the Withholding Amount, if any, to or as directed by the Vendor and to provide to the Purchaser a copy of the Certificate(s). Notwithstanding the foregoing, if the Certificate(s) are not available by the later of the date that the Withholding Amount is required to be submitted to CRA pursuant to section 116 of the ITA or such later date as may be permitted by CRA, the Purchaser's Solicitors are hereby irrevocably authorized and directed to pay the entire Withholding Amount to CRA in accordance with section 116 of the ITA.

13. CLEARING VENDOR'S TITLE

13.1 The Purchaser acknowledges and agrees that, if the title to the Property is subject to any financial encumbrance on the Closing Date, the Vendor and the Liquidator will not be required to clear title of such financial encumbrance prior to the receipt of the net sales proceeds but the

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Vendor and the Liquidator will be obligated to do so within a reasonable time following receipt of the net sales proceeds and the Purchaser will cause its solicitors to pay the Deposit and the balance of the adjusted Purchase Price due under Section 11.3 to the Administrator's Solicitors or the Liquidator's solicitors in trust on their undertaking to the Purchaser's Solicitors and, if required, the Purchaser's lender's solicitors (which undertaking will be in a form satisfactory to the Purchaser's Solicitors and the Purchaser's lender's solicitors) to pay out and discharge any such financial encumbrance from title to the Property using the net sales proceeds and obtain and register a discharge thereof within a reasonable time.

- 13.2 If any of the Property are encumbered by registered mortgages or other financial encumbrances in favour of non-financial institutions, the Administrator's Solicitors or Liquidator's solicitors shall obtain a registrable discharge of such mortgage or other charge to be held in trust by the Administrator's Solicitors or Liquidator's solicitors pending closing and on the undertaking of the Administrator's Solicitors or Liquidator's solicitors to submit the same for registration as soon as reasonably possible after closing or obtain a vesting order to ensure that all financial encumbrances will be discharged from title to the Property.

14. DISCLOSURE

14.1 The parties acknowledge and agree that:

- (a) in accordance with the Code of Ethics of the Canadian Real Estate Association, Goodman Commercial Inc. (the "Agent") and Mark Goodman Personal Real Estate Corporation & Cynthia Jagger Personal Real Estate Corporation (the "Designated Agents") have disclosed that they are representing the Vendor in this transaction;
- (b) the Agent and the Designated Agents have no agency relationship with the Purchaser and the Purchaser confirms that it is an Unrepresented Party in accordance with the Real Estate Services Act of British Columbia;
- (c) the Agent, in order to accommodate the transaction described in this Agreement, was and is entitled to pass any relevant information it receives from either party or from any other source to either of the parties as the Agent sees fit, without being in conflict of its duties to either party; and
- (d) the Vendor shall pay the commission and compensation plus any applicable taxes due to the Agent pursuant to the transaction described in this Agreement.

15. FEES AND EXPENSES

- 15.1 Except as provided in Section 15.2, the Vendor will be responsible for all costs and expenses relating to the approval by the Owners of the transfer of the property to the Purchaser (including, without limitation, court costs and legal fees if applicable), the appointment of the Liquidator, the cancellation of the Strata Plan, the winding up of the Strata Corporation and the clearing of title to the Property of any of the Owners' financial encumbrances and any other encumbrances that are not Permitted Encumbrances, and all documents relating to or required in connection with the foregoing (including the Winding-Up Confirmation Order and the

Division 3 Order (as applicable), any appeals thereof, and the Vesting Application) will be prepared, obtained and registered by and at the expense of the Vendor.

- 15.2 The Purchaser will be responsible for all of its costs and expenses relating to the purchase and sale of the Property. Except as set out above, all documents necessary to complete the purchase of the Property will be prepared and registered by and at the expense of the Purchaser. In particular, the Purchaser will pay the expense of registering the Transfer, including any property transfer tax payable in connection therewith.
- 15.3 Notwithstanding any other term of this Agreement, within 5 business days after the satisfaction of the Third Mutual Condition, the Purchaser and the Vendor will provide joint written instructions to the Purchaser's Solicitors to release up to a maximum of \$50,000.00 of the Deposit (the "Released Deposit Funds") to the Vendor to pay towards the Vendor's completion costs, including legal and Liquidator's fees.

16. BINDING AGREEMENT

Upon acceptance by both the Purchaser and the Vendor, this offer shall constitute a binding agreement for the purchase and sale of the Property on the terms and conditions contained herein. This Agreement will come to the benefit of and be binding upon the Vendor and the Purchaser and their representative administrators, successors and permitted assigns.

17. CONFIDENTIALITY

Except as contemplated by Sections 2(b) and 2(c) of Schedule C or as otherwise may be necessary to disclose to the BCSC to satisfy the Mutual Conditions, prior to the Closing Date, neither party will, without the prior written consent of the other party:

- (a) make any public announcement or statement with respect to; or
- (b) otherwise disclose to any person other than the party's potential lenders and/or legal/tax/accounting advisors,

the financial terms contained in this Agreement unless required or compelled to do so by law. For clarity, this provision does not prevent the Vendor from disclosing to the Owners the financial terms of this Agreement, or an Owner from disclosing to their lenders (existing or potential) and/or legal/tax/accounting advisors in which case an Owner must advise such lender or advisor of the confidential nature of the financial terms.

18. ASSIGNMENT

The parties hereto expressly agree that the rights and interests of the Purchaser under this Agreement shall not be assigned without the Vendor's consent, which may be withheld in the discretion of the Vendor. Notwithstanding the foregoing, the Purchaser may, without the consent of the Vendor, assign this Agreement to an affiliate (as defined in the *Business Corporations Act* (British Columbia)) of the Purchaser or a limited partnership of which the Purchaser or an affiliate of the Purchaser is a limited partner, a general partner or a shareholder of the general partner, at any time, in its sole and absolute discretion, provided that notice of

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such assignment is provided to the Vendor within a reasonable period of time prior to application to approve the Vesting Order so that such assignment may be incorporated therein. Upon any assignment of the rights and interest of the Purchaser under this Agreement (i) the Purchaser will not be released from and will remain liable for all terms, covenants, conditions, representations, warranties, provisions and obligations (including releases and indemnities) of the Purchaser hereunder and (ii) any assignee of the Purchaser's interest hereunder will have the benefit of all covenants, representations, warranties and obligations (including releases and indemnities) of the Vendor hereunder, in each case without any further act or agreement being required on the part of the parties. The Purchaser may direct the Vendor to convey title to the Lands to an affiliate of the Purchaser, which will hold title to the Lands as nominee, agent and bare trustee for and on behalf of the Purchaser. In the event that the Purchaser assigns this Agreement as permitted under this Section 18, the Purchaser will forthwith provide notice in writing to the Administrator and, if appointed, the Liquidator. The Vendor is entitled to any profit resulting from an assignment of this Agreement by the Purchaser or any subsequent assignee in respect of which the Vendor's consent is required.

19. NO WAIVER

No failure or delay on the part of either party in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. Except as may be limited herein, either party may, in its sole discretion, exercise any and all rights, powers, remedies and recourses available to it under this Agreement or any other remedy available to it and such rights, powers, remedies and recourses may be exercised concurrently or individually without the necessity of making any election.

20. TENDER

Any tender of documents or money pursuant to this Agreement may be made upon the party being rendered or upon such party's solicitor or notary public, and money will be tendered only by solicitor's certified trust cheque except that any payment on account of the Deposit may be tendered by uncertified cheque.

21. NOTICE

Any notice, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement from either party to the other will be in writing and delivered, sent by electronic means or sent by postage prepaid mail and addressed to the parties as follows:

(a) to the Purchaser:

Buttersworth Holdings Inc.
 c/o Madaisky & Company Business Lawyers LLP
 305 - 8047 199 Street,
 Langley, BC V2Y 0E2
 Attention: Pat Madaisky
 Email: Pat@pcmlawco.com

(b) to the Vendor:

The Owners, Strata Plan VR456
 c/o Garth Cambrey, Administrator
 2300 - 2850 Shaughnessy Street,
 Port Coquitlam, BC V3C 6K5
 Email: gcambrey@shaw.ca

with a copy to:

Jesperance Mendes Lawyers
 550 - 900 Howe Street,
 Vancouver, BC V6Z 2M4
 Attention: Paul G. Mendes
 Email: PGM@lmkaw.ca

and a copy to:

Goodman Commercial Inc.
 #560 - 2608 Granville Street,
 Vancouver, BC V6H 3V3
 Email: mark@goodmanreport.com

or at such other address as either party may specify in writing to the other. The time of giving and receiving any such notice will be deemed to be on the day of delivery or transmittal if delivered or sent by facsimile or other electronic means, or on the third business day after the day of mailing thereof if sent by mail. In the event of any disruption of mail services, all notices will be delivered or sent by facsimile or other electronic means rather than mailed.

22. EXECUTION IN COUNTERPART AND BY ELECTRONIC MEANS

This Agreement may be executed in any number of counterparts, each of which when delivered shall be deemed to be an original and all of which together shall constitute one and the same document. This Agreement can be executed by the parties and transmitted by fax, email or other electronic means, and if so executed and transmitted, this Agreement will be for all purposes as effective as if the parties had delivered an executed original Agreement.

23. GENERAL

- 23.1 This Agreement (including the Schedules attached hereto) constitutes the entire agreement between the parties in respect of the Property, and it is understood and agreed that there are no representations, warranties, guarantees or promises affecting the Property or this Agreement except for those contained herein.
- 23.2 The additional clauses (if any) set out in the Schedules attached hereto and all counterparts so executed (including those executed and delivered by fax, email or other electronic means), taken together, will be deemed to constitute one agreement.

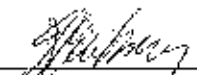
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- 23.3 The division and headings of this Agreement are for reference only and are not to affect construction or interpretation.
- 23.4 This Agreement may be altered or amended only by an agreement in writing signed by the Purchaser and the Vendor (or, in the case of the Vendor, by the Liquidator on behalf of the Vendor).
- 23.5 Wherever the singular or the masculine is used herein, the same shall be construed as meaning the plural or feminine or the body politic or corporate where the context or the parties hereto so require, and where a party is more than one person, all covenants shall be deemed to be joint and several.
- 23.6 Each of the parties hereto will at all times and from time to time and upon reasonable request do, execute and deliver all further assurances, acts and documents for the purpose of evidencing and giving full force and effect to the covenants, agreements and provisions in this Agreement.
- 23.7 If the date for the performance of any act or thing falls on a day which is not a business day, then the date for the performance of such act or thing will be extended to the next business day. For the purposes of this Agreement, a "business day" means a day other than a Saturday, Sunday, statutory holiday in British Columbia, Easter Monday or Boxing Day.
- 23.8 Time shall be of the essence of this Agreement.
- 23.9 This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.
- 23.10 All dollar amounts referred to in this Agreement are in Canadian dollars.

IN WITNESS WHEREOF the parties have executed this Agreement.

Executed by the Vendor as of the 6th day of November, 2020.

THE OWNERS, STRATA PLAN VR456

Per: 
Gail Cambrey, Administrator

Executed by the Purchaser as of the _____ day of November, 2020.

BUTTERSCOTCH HOLDINGS INC.

Per: _____
Authorized Signatory
Name: _____
Title: _____

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- 23.3 The division and headings of this Agreement are for reference only and are not to affect construction or interpretation.
- 23.4 This Agreement may be altered or amended only by an agreement in writing signed by the Purchaser and the Vendor (or, in the case of the Vendor, by the Liquidator on behalf of the Vendor).
- 23.5 Wherever the singular or the masculine is used herein, the same shall be construed as meaning the plural or feminine or the body politic or corporate where the context or the parties hereto so require, and where a party is more than one person, all covenants shall be deemed to be joint and several.
- 23.6 Each of the parties hereto will at all times and from time to time and upon reasonable request do, execute and deliver all further assurances, acts and documents for the purpose of evidencing and giving full force and effect to the covenants, agreements and provisions in this Agreement.
- 23.7 If the date for the performance of any act or thing falls on a day which is not a business day, then the date for the performance of such act or thing will be extended to the next business day. For the purposes of this Agreement, a "business day" means a day other than a Saturday, Sunday, statutory holiday in British Columbia, Easter Monday or Boxing Day.
- 23.8 Time shall be of the essence of this Agreement.
- 23.9 This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.
- 23.10 All dollar amounts referred to in this Agreement are in Canadian dollars.

IN WITNESS WHEREOF the parties have executed this Agreement.

Executed by the Vendor as of the day of November, 2020.

THE OWNERS, STRATA PLAN VR456

Per: _____
Garth Cambrey, Administrator

Executed by the Purchaser as of the 6th day of November, 2020.

BUTTERSCOTCH HOLDINGS INC.

Per: _____
Authorized Signatory
Name: CAROL SHARRON
Title: Director

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SCHEDULE A
PERMITTED ENCUMBRANCES

The Property is subject to the following Permitted Encumbrances:

Legal Notations

None.

Charges, Liens and Interests

1. The subsisting exceptions or reservations or other rights contained or reserved to the Crown in the original grant from the Crown.



SCHEDULE B
CONDITIONS PRECEDENT

1. VENDOR'S CONDITION

The parties acknowledge and agree that the "First Vendor's Condition" (as such term is defined in the LOI) was confirmed satisfied by the Vendor on October 9, 2020.

2. PURCHASER'S CONDITIONS

The parties acknowledge and agree that the "First Purchaser's Condition" (as such term is defined in the LOI) was confirmed waived by the Purchaser on October 9, 2020.

3. MUTUAL CONDITIONS

The obligations of the Vendor and the Purchaser to complete the sale and purchase of the Property on the Closing Date is subject to and conditional upon the following conditions precedent (each, a "Mutual Condition" and collectively, the "Mutual Conditions") being satisfied within the applicable times specified below:

- (a) not later than 5:00 p.m. (Vancouver time) on the First Mutual Condition Waiver Date:
- (i) the Owners passing the Required Resolutions at the General Meeting, the Vendor obtaining the Winding Up Confirmation Order and:
 - A. the appeal period to the Court of Appeal of British Columbia (the "BCCA") for the Winding Up Confirmation Order having expired without any appeal being filed; or
 - B. an appeal to the BCCA of the Winding Up Confirmation Order having been filed, the appeal having been dismissed or withdrawn; or
 - (ii) the Administrator obtaining the Division 3 Order and:
 - A. the appeal period to the BCCA for the Division 3 Order having expired without any appeal being filed; or
 - B. an appeal to the BCCA of the Division 3 Order having been filed, the appeal having been dismissed or withdrawn,
- (the "First Mutual Condition");
- (b) no later than 5:00 p.m. (Vancouver time) on the Second Mutual Condition Waiver Date, the Liquidator obtaining the Vesting Order and:
- (i) the appeal period to the BCCA for the Vesting Order having expired without any appeal being filed; or
 - (ii) an appeal to the BCCA of the Vesting Order having been filed, the appeal having been dismissed or withdrawn,

(collectively the "Second Mutual Condition").

- (c) unless the Liquidator is of the opinion that it is not legally required to obtain a further 75% vote resolution to approve the disposition of the Property and any other land and/or personal property under section 282 of the SPA (a "Section 282 Resolution") following the grant of the Vesting Order, as confirmed by the Liquidator to the Vendor and Purchaser in writing, the approval of a Section 282 Resolution by the Owners (collectively the "Third Mutual Condition") by not later than 5:00 p.m. on Third Mutual Condition Date.

The Mutual Conditions are for the sole benefit of the Vendor and the Purchaser and, as such, must be satisfied at any time up to and including the time specified above, and may not be unilaterally waived or declared satisfied by the Vendor or the Purchaser. If any Mutual Condition is not satisfied by the applicable time specified above, this Agreement will be null and void. In such event, the Purchaser's Solicitors are hereby irrevocably directed by the Vendor and the Purchaser to forthwith repay the Deposit and accrued interest, in full, to the Purchaser without deduction, and thereafter neither party will have any further obligations to the other hereunder, except for the obligation of the Purchaser to maintain the confidentiality of all disclosed documents and instruments delivered to it and to return all copies of such documents and instruments.

The Vendor will act diligently and make all reasonable efforts to cause the Mutual Conditions to be satisfied (including, without limitation, providing any required notices to the Owners and holding all required meetings of the Owners under the SPA). Notwithstanding anything else contained herein:

- (d) the First Mutual Condition will be deemed to be satisfied for all purposes hereunder if:
- (i) the Required Resolutions are each approved at the General Meeting by the required voting thresholds set out in Section 5.1(b)(ii), the Vendor obtains the Winding Up Confirmation Order and:
 - A. the appeal period to the BCCA for the Winding-Up Confirmation Order has expired without any appeal being filed; or
 - B. an appeal to the BCCA of the Winding-Up Confirmation Order having been filed, the appeal has been dismissed or withdrawn; or
 - (ii) the Administrator obtains the Division 3 Order and:
 - A. the appeal period to the BCCA for the Division 3 Order has expired without any appeal being filed; or
 - B. an appeal to the BCCA of the Division 3 Order having been filed, the appeal has been dismissed or withdrawn;
- (e) the Second Mutual Condition will be deemed to be satisfied for all purposes hereunder if the Vesting Order is granted by the BCSC and:
- (i) the appeal period to the BCCA for the Vesting Order has expired without any appeal being filed; or
 - (ii) an appeal to the BCCA of the Vesting Order having been filed, the appeal has been dismissed or withdrawn; and

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- (i) the Third Mutual Condition will be deemed to be satisfied for all purposes hereunder if:
- (j) the Owners approve a Section 282 Resolution following the grant of the Vesting Order; or
 - (k) the Liquidator confirms to the Purchaser in writing that a further Section 282 Resolution following the grant of the Vesting Order is not required.

In consideration of Canadian \$10.00 paid by the Vendor to the Purchaser, and by the Purchaser to the Vendor, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Vendor and Purchaser, the Purchaser and the Vendor agree not to revoke their acceptance of this Agreement, except as may be permitted under any other provision included in this Schedule B, while such offer is subject to the Mutual Conditions.



SCHEDULE C

COVENANTS, REPRESENTATIONS AND WARRANTIES

1. VENDOR'S REPRESENTATIONS AND WARRANTIES

The Vendor hereby represents and warrants to the Purchaser as representations and warranties that are true at the date hereof and will be true at the time of completion and that are to continue and to survive the purchase of the Property by the Purchaser regardless of any independent investigations that the Purchaser may cause to be made and regardless of the satisfaction or waiver of any conditions precedent, that, subject to the limitations, if any, expressed herein:

- (a) subject to compliance by the Vendor with Division 2 and/or Division 3 of Part 16 of the SPA, the Administrator has the authority and capacity to enter into this Agreement on behalf of the Vendor and to carry out and complete the transactions contemplated by this Agreement;
- (b) on the Closing Date:
 - i. the transactions contemplated by this Agreement have been or will be duly and validly authorized by all requisite corporate proceedings of the Vendor, the Liquidator and the Owners; and
 - ii. this Agreement constitutes, and all other documents and agreements to be delivered by the Vendor under this Agreement will constitute, legal, valid and binding obligations of the Vendor enforceable against the Vendor in accordance with their terms, subject only to equitable remedies being available only at the discretion of the courts;
- (c) subject to the terms of the Vesting Order and Section 15 of this Agreement, upon the filing of the Vesting Application in the Land Title Office, the Liquidator will be the sole legal and beneficial owner of the Property, subject to the provisions of the Vesting Application, free and clear of registered and unregistered legal notions, charges, liens, interests, claims, judgments, charges, caveats and encumbrances whatsoever save and except the Permitted Encumbrances (subject to the provisions of this Agreement related to clearing title of the Owners' financial encumbrances), and on the Closing Date the Liquidator will have, the full right and authority to sell the Property and to transfer and assign valid title to the Property to the Purchaser;
- (d) to the best of the Vendor's knowledge, there is no action or proceeding by way of expropriation, condemnation, judgment, execution or otherwise, pending or threatened, by which title to the Property or any part thereof may be affected;
- (e) to the best of the Vendor's knowledge, there is no claim, litigation or proceeding, pending or threatened, by or before any court, government agency, commission, department, board, officer or other authority having jurisdiction that pertains in any manner to the Property or the right of the Purchaser to own the Property or to receive benefits therefrom;
- (f) all documents and instruments required to be delivered or made available to the Purchaser hereunder will be complete and accurate in all material respects as of the date of such delivery or communication to the Purchaser; and

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- (g) each of the Service Contracts is in good standing and assignable to the Purchaser, there being no default thereunder by the Vendor and the other contracting parties thereto, and contains the entire agreement between the parties identified therein.

The Vendor acknowledges that the Purchaser is relying on the foregoing representations, warranties, covenants and agreements in connection with the purchase by the Purchaser of the Property.

2. VENDOR'S COVENANTS

The Vendor covenants and agrees with the Purchaser as follows:

- (a) from and after the date of this Agreement, the Vendor will cause the Property to be kept, repaired, and maintained to substantially the same condition and state of repair as of the date of this Agreement and to be insured at the Vendor's cost and expense so that on the Closing Date, the Purchaser will acquire the Property in substantially the same condition and state of repair as of the date of this Agreement, subject to reasonable wear and tear and save as otherwise provided for herein;
- (b) the Vendor hereby authorizes the Purchaser, at the Purchaser's own cost and expense, to enter into discussions and negotiations with the City of Vancouver (the "City") or any other governmental authority and to make applications, in the name of the Vendor if required, for rezoning of the Lands or any permits or approvals required by the Purchaser in connection with any proposed development of the Lands. The Vendor will co-operate with the Purchaser in connection with any reasonable request made by the Purchaser in respect of any proposed rezoning or development of the Lands, including executing, upon request by the Purchaser, any applications, licenses, permits, consents, plans or other documentation required by the City or any other governmental authority in connection therewith, provided that the Purchaser will not, without the Vendor's consent, make any commitments which will result in any liability, or be otherwise prejudicial, to the Vendor if the transaction contemplated herein does not complete. Vendor agrees not to oppose or otherwise seek to hinder or delay, or permit any opposition, hindrance or delay concerning any such discussions, negotiations or applications, or any approvals arising therefrom;
- (c) the Vendor will permit the Purchaser, subject to the Purchaser complying with all applicable bylaws, to erect signs on the Lands (including, without limitation, signs relating to any rezoning or permit applications or any development proposed to be constructed thereon) before the Closing Date;
- (d) the Vendor will deliver or caused to be delivered, to the Purchaser, within ten (10) business days of the date of execution of this Agreement, a list of all of the Service Contracts together with copies of all written Service Contracts and relevant particulars of all unwritten Service Contracts;
- (e) the Vendor will use commercially reasonable efforts to determine and advise the Purchaser which Strata Lots are subject to tenancy agreements, and to obtain copies of the applicable tenancy agreements and provide the same to the Purchaser, in each case before the Purchaser's Condition Waiver Date.

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- (f) the Vendor will, from the date of execution of this Agreement until the Closing Date, conduct or cause to be conducted all business in respect of the Property following prudent business practices given the nature of the Property, and without limiting the generality of the foregoing:
- i. subject to Section 2(f)(ii) of this Schedule C, provide the Purchaser with particulars of any Service Contracts entered into or modified after delivery of the materials referred to in Section 2(d) of this Schedule C; and
 - ii. not enter into, or permit to be entered into, any contract or agreement or any transaction whatsoever in respect of the Property without the prior written consent of the Purchaser, such consent not to be unreasonably withheld or delayed.
- (g) the Vendor will, cancel and terminate, or cause to be cancelled and terminated, all contracts, including the Service Contracts, which relate to the Property excepting only those contracts that the Purchaser elects in writing before the expiry of the Second Material Condition Waiver Date to have assigned to it, such termination and cancellation, as applicable, to be effective as of the day immediately preceding the Closing Date;
- (h) the Vendor will execute, or cause to be executed, and return to the Purchaser or the Purchaser's Solicitors as soon as is reasonably possible, all consents or letters of authority which it may be necessary for the Vendor to execute in order for the Purchaser to conduct such due diligence searches concerning the Vendor and the property as it determines to be necessary, in its sole discretion, in connection with the transactions contemplated herein.

3. PURCHASER'S REPRESENTATIONS AND WARRANTIES

The Purchaser hereby represents and warrants to the Vendor as representations and warranties that, unless otherwise specified, are true at the date hereof and will be true at the time of completion and that are to continue and to survive the purchase of the Property by the Purchaser regardless of any independent investigations that the Vendor may cause to be made, that, subject to the limitations, if any, expressed herein:

- (a) the Purchaser has the corporate authority and capacity to enter into this Agreement and to carry out and complete the transactions contemplated by this Agreement;
- (b) on the Closing Date, the transactions contemplated by this Agreement have been or will be duly and validly authorized by all requisite corporate proceedings of the Purchaser, this Agreement constitutes, and all other documents and agreements to be delivered by the Purchaser under this Agreement will constitute, legal, valid and binding obligations of the Purchaser enforceable against the Purchaser in accordance with their terms, subject only to equitable remedies being available only at the discretion of the courts; and
- (c) there is no action or proceeding pending or to the Purchaser's knowledge threatened against the Purchaser before any court, arbitrator, arbitration panel, administrative tribunal or agency which, if decided adversely to the Purchaser, might materially affect the Purchaser's ability to perform its obligations hereunder.

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The Purchaser acknowledges that the Vendor is relying on the foregoing representations and warranties in connection with the purchase by the Purchaser of the Property. The Vendor acknowledges that the Purchaser is relying on the foregoing representations and warranties in connection with the purchase by the Purchaser of the Property.



SCHEDULE D

TERMS OF 100% APPROVAL OF SALE

1. The parties acknowledge and agree that the procedures associated with the Mutual Conditions are necessary to effect a sale of land within a strata plan where 80% or more, but less than 100%, of the owners of strata lots wish to appoint a liquidator to wind up the Vendor as a strata corporation under the SPA and sell the Lands within the strata Plan.
2. If at the meeting to approve the Required Resolutions, the Required Resolutions are approved by the Owners of 100% of the Strata Lots, then at the option of the Administrator on behalf of the Vendor, exercisable by written notice (the "Option Exercise Notice") delivered by the Administrator to the Purchaser within five (5) days after such meeting, the Administrator may deliver to the Purchaser, an individual contract of purchase and sale for each Strata Lot signed by the applicable Owner (each, an "Individual Strata Lot Contract") which will be on a form of contract prepared by the Purchaser's Solicitors, with reasonable amendments as may be agreed to by an Owner and the Purchaser. Each Individual Strata Lot Contract will:
 - (a) provide the name of the applicable Owner;
 - (b) provide the address and legal description of the applicable Strata Lot;
 - (c) not include any conditions precedent for the benefit of the Vendor or the Purchaser, if such conditions have not been waived or satisfied by the Purchaser, and the closing condition referred to in paragraph (c) below;
 - (d) provide the proportionate share of the Purchase Price payable to the Owner of the Strata Lot in accordance with the Winding Up Resolution, allocated as the purchase price for such Strata Lot and the same proportionate share of the Deposit allocated as a deposit under such Individual Strata Lot Contract;
 - (e) provide that the completion date will be as set out in Section 5 of this Schedule D, provided that it will be a condition of closing for the benefit of the Purchaser that all 6 Individual Strata Lot Contracts must complete on the same date and the Purchaser will have the right, in its sole discretion, to extend the completion date to ensure that all completions occur on the same date or, where either of Sections 4(a) or 4(b) of this Schedule D applies, to terminate all of the Individual Strata Lot Contracts, in which case the Winding Up Process will be resumed in accordance with Section 4 of this Schedule D;
 - (f) provide that no Owner will enter into any tenancy agreement in respect of such Owner's Strata Lot that is not a month-to-month tenancy or that provides for a term ending later than the Closing Date;
 - (g) provide that it will terminate and be of no further force or effect in accordance with Section 4 of this Schedule D.

3. Upon receipt of Individual Strata Lot Contracts for all 6 Strata Lots completed in accordance with the foregoing and signed by each Owner, the Purchaser will promptly sign and return the same to the Vendor and the winding up process described in Section 5 of this Agreement (the "Winding Up Process") will (except as otherwise herein provided) be suspended or will not be used to complete the sale and purchase of the Property except that the Vendor will make the application for the Winding Up Confirmation Order within the time therein provided in this Agreement, but will not otherwise pursue such application unless the Winding Up Process resumes as hereinafter provided.
4. Notwithstanding Section 2 and 3 of this Schedule D, if:
 - (a) Individual Strata Lot Contracts for all 6 Strata Lots are not executed and delivered to the Purchaser within twenty-five (25) days after the date on which the Administrator delivers the Option Exercise Notice to the Purchaser (the "Strata Lot Contract Execution Deadline"); or
 - (b) any Owner advises the Administrator or the Purchaser that he or she will not complete the sale of such Owner's Strata Lot to the Purchaser in accordance with the applicable Individual Strata Lot Contract, or if all of the Individual Strata Lot Contracts do not complete on the same date, and the Purchaser gives written notice terminating the Individual Strata Lot Contracts to the Vendor with copies to each of the Owners,

then the Winding Up Process will be resumed, this Agreement will remain binding upon the Vendor and the Purchaser in full force and effect, unamended, and all of the Individual Strata Lot Contracts will terminate and be of no further force or effect.
5. The closing of the purchase and sale of the Strata Lots pursuant to the Individual Strata Lot Contracts executed and delivered pursuant to Section 3 of this Schedule D will occur on the date that is the last day of the third full calendar month following the Strata Lot Contract Execution Deadline.
6. In the event that the closing of the purchase and sale of the Strata Lots proceeds as contemplated by this Schedule D:
 - (a) the Purchaser shall be responsible for the cancellation of the Strata Plan and the winding up of the Strata Corporation, at the Purchaser's own cost and expense, following the completion of the purchase and sale of all of the Strata Lots pursuant to the Individual Strata Lot Contracts provided that the Strata Corporation will be responsible for payment of all liabilities of the Strata Corporation due up to the Closing Date and the Purchaser will be credited with any expenses due by the Strata Corporation under any service contracts and/or property management agreements up to the Closing Date. If requested by the Purchaser, the Vendor will cancel all service contracts and property management agreements prior to the Closing Date at its own costs and expense;
 - (b) each Owner is entitled to receive from the Strata Corporation, which amount will be paid by the Strata Corporation on closing, such Owner's proportionate share of the funds remaining in the Strata Corporation's operating fund, contingency reserve fund and, if any,

special levy funds after all financial obligations of the Strata Corporation up to and including the Closing Date have been met. For certainty, the Strata Corporation's financial obligations up to and including the Closing Date include the payment of the accounts of the Administrator and the Administrator's legal advisors in respect of the transaction contemplated by this Agreement, including this Schedule D; and

- (c) notwithstanding the fact that certain terms of this Agreement are suspended, the Vendor shall continue to perform its obligations under Section 2 of Schedule C of this Agreement.

SCHEDULE E
OWNER'S AGREEMENT

BETWEEN: _____ (the "Owner")

AND: BUTTERSCOTCH HOLDINGS INC. (the "Purchaser")

RE: Purchase and Sale Agreement dated October ____, 2020 (the "Purchase Agreement") between the Purchaser, as purchaser, and The Owners, Strata Plan VR456 (the "Strata Corporation"), as agent for and on behalf of the owners of all of the Strata Lots in Strata Plan VR456 (the "Strata Plan"), as vendor, with respect to the purchase and sale of the lands and buildings located at 1089 West 13th Avenue, Vancouver, B.C. (the "Property")

AND RE: Unit ____, 1089 West 13th Avenue, Vancouver, B.C. (the "Unit")

IN CONSIDERATION of the amount of \$10.00 now paid by each party to the other, the covenants and obligations set out in the Purchase Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party, the parties covenant and agree as follows:

1. Provided the purchase and sale of the Property completes in accordance with the terms and conditions of the Purchase Agreement, the Owner may remain in possession of the Unit until the date (the "Initial Delayed Possession Date") which is FOUR (4) months after the Closing Date (as defined in the Purchase Agreement). The Owner will not be required to pay any rent or license fee to the Purchaser while he or she remains in possession of the Unit during the period between the Closing Date and the Initial Delayed Possession Date.
1. The Owner covenants and agrees as follows:
 - (a) the Owner will vacate the Unit, and remove all of his or her personal property (which does not include any fixtures, major appliances (being any washer, dryer, refrigerator, oven, stove and built in dishwasher) or other improvements within the Unit (including, for example, doors, closet organizers, light fixtures or built-in furniture), the Owner acknowledging and agreeing that the Owner shall not have any salvage rights with respect to the Unit whatsoever) therefrom, and leave the Unit in a tidy and "broom clean" condition, on or before 5:00 p.m. on the Initial Delayed Possession Date;
 - (b) if the Owner intends to vacate the Unit prior to the Initial Delayed Possession Date, the Owner will give the Purchaser at least one week's written notice of its intention to vacate the Unit;
 - (c) the Owner will not damage the Unit or the Property, other than reasonable wear and tear, or remove, tamper with or damage any fixtures, major appliances or other improvements within the Unit or the Property, and will maintain reasonable health, cleanliness and sanitary standards throughout the Unit at all times;

- (d) the Owner will be responsible for all costs and expenses for all utilities and services which are billed separately to the Unit or the Owner.
 - (e) the Purchaser not be will be responsible for any routine, non-structural repairs, maintenance and replacements associated with any Unit, including any the repair, maintenance and replacement of any furnishings, equipment and appliances located therein, but will be responsible for any repairs, maintenance and replacement that would have been the responsibility of the Strata Corporation pursuant to the *Strata Property Act* and the bylaws of the Strata Corporation prior to the winding up of the Strata Corporation. For greater certainty, an Owner occupying a Unit pursuant to this Agreement will not be responsible for improving the Unit to a better condition than it was in on the Closing Date; and
 - (f) for greater certainty, the Owner may not sublet the Unit or assign any of rights under this Agreement to any other person.
2. The Owner represents and warrants that: (i) prior to the cancellation of the Strata Plan, the owner was the registered and beneficial owner of the Unit; and (ii) there will be no leases or tenancy agreements which relate to or affect the Unit, and no tenants of the Unit, on or after the Closing Date.
 3. Notwithstanding section 1, each party acknowledges and agrees that, after the Initial Delayed Possession Date, the Purchaser may terminate an Owner's right to remain in possession of such Owner's Strata Lot under this Agreement by written notice to such Owner and with termination to be effective on the last day of the calendar month following the month in which written notice is given to such Owner.
 4. Each party acknowledges and agrees that it does not, by entering into this Agreement or otherwise, intend to create a tenancy or a tenancy agreement between the Owner and the Purchaser, and the Owner expressly acknowledges and agrees that, in no event will he or she be deemed or construed to be a tenant of the Unit, it merely being the intention of the parties hereto that the date for vacant possession of the Unit following the completion of the purchase and sale contemplated in the Purchase Agreement will be delayed to the Initial Delayed Possession Date. In the event that any court or tribunal (including the British Columbia Residential Tenancy Branch) finds that the Owner is a tenant of the Unit or that the *Residential Tenancy Act* (British Columbia) applies to the Owner's occupation of the Unit, then there will be deemed to be a fixed-term tenancy agreement between the Owner and the Purchaser which includes the following terms: (i) the end of the term of the tenancy thereunder will be the Initial Delayed Possession Date; (ii) the Owner will vacate the Unit on the Initial Delayed Possession Date; and (iii) such tenancy agreement will otherwise incorporate the terms and conditions set out in the standard residential tenancy agreement of the British Columbia Residential Tenancy Branch; and (iv) upon receipt of written notice from the Purchaser of the Purchaser's intention to terminate the tenancy pursuant to section 3, the Vendor will deliver to the Purchaser an executed copy of a Mutual Agreement to End Tenancy (#RTB - 8), with termination to be effective on the last day of the calendar month following the month in which such written notice is given to such Owner.
 5. This Agreement will inure to the benefit of and be binding upon the respective heirs, executors, administrators, other legal representatives, successors and assigns of the parties. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which, taken together, will be deemed to constitute one and the

same instrument. Delivery of an executed copy of this Agreement by electronic transmission will be as effective as personal delivery of an originally executed copy of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement this _____ day of _____, 20____.

By the Owner:

(seal)
Name of Witness:

(seal)
Name of Owner:

(seal)
Name of Witness:

(seal)
Name of Owner:

By the Purchaser:

BUTTERSCOTCH HOLDINGS INC.

By: _____
Name:
Title:

