

THE PURCHASER HEREBY OFFERS to enter into a purchase and sale agreement to purchase the estate in fee simple in the Property from the Vendor on the following terms and conditions:

ARTICLE 1 - DEFINITIONS

1.1 Definitions – In this Agreement, in addition to the words defined in the recitals to it:

- (a) “Business Day” means a day other than a Saturday, Sunday or statutory holiday in B.C.
- (b) “Purchaser’s Solicitors” means the solicitors or notary public designated on the first page of this Agreement to represent the Purchaser in connection with the transaction under this Agreement.
- (c) “Conditions Precedent” means the conditions precedent set out in Schedule C of this Agreement.
- (d) “Completion Date” means the date that is 14 days after all of the Conditions Precedent are satisfied or waived, but no later than December 31, 2020.
- (e) “Deposit” means the deposit in the amount specified on the first page of this Agreement.
- (f) “Discharge” means a Form C discharge of the Existing Option/RFR.
- (g) “Existing Option/RFR” means the purchase and right of refusal in favour of the District of Tofino that are currently registered against title to the Property under registration numbers and .
- (h) “Property” means the property identified on the first page of this Agreement.
- (i) “LTO” means the applicable Land Title Office.
- (j) “Option/RFR” means the Option to Purchase and Right of First Refusal attached hereto as Schedule A.
- (k) “Permitted Encumbrances” means the legal notations and chares, liens and interests shown on the current title search attached hereto as Schedule A, except the Existing Option/RFR, which will be discharged on the Completion Date.
- (l) “Purchase Price” means the purchase price (excluding GST) for the Property in the amount set out on the first page of this Agreement.
- (m) “Vendor’s Solicitors” means the solicitors or notary public designated on the first page of this Agreement to represent the Vendor in connection with the transaction under this Agreement.

- (n) "Strata Documents" means the Form B Information Certificate, Strata Plan, and Bylaws of Strata Plan EPS1485 and Strata Council meeting minutes, Annual General meeting minutes, Extraordinary or Special meeting minutes, and financial statements of the Strata Corporation for Strata Plan EPS1485.
- (o) "Transfer" means a transfer or transfers in registrable form transferring the estate in fee simple of the Property to the Purchaser.

ARTICLE 2 - PURCHASE AND SALE

2.1 Purchase and Sale – The Purchaser will purchase from the Vendor, and the Vendor will sell to the Purchaser, the Property, free and clear of all liens charges and encumbrances, except for the Permitted Encumbrances and the Option/RFR that will be registered on the Completion Date, for the Purchase Price, on the terms and conditions of this Agreement.

2.2 Payment of Purchase Price – The Purchaser will pay the Purchase Price as follows:

- (a) by payment of the Deposit to the Purchaser's Solicitors, in trust, within 5 Business Days following the date of execution of this Agreement by the Vendor, to be held by the Purchaser's Solicitors in a trust account with a bank, credit union or other similar financial institution, with the Vendor and the Purchaser agreeing that:
 - (i) upon completion, the Deposit, with interest if held in an interest-bearing trust account, will be credited on account of the Purchase Price;
 - (ii) the Deposit, with interest if held in an interest-bearing trust account, will be retained by the Vendor if the Purchaser defaults in its obligation to purchase the Property under this Agreement and that default is not waived in writing by the Vendor, and such payment will constitute liquidated damages and preclude the Vendor from exercising any other legal remedies available to it, the parties agreeing that the Deposit constitutes a genuine pre-estimate of the Vendor's damages;
 - (iii) the Deposit, with interest if held in an interest-bearing trust account, will be repaid to the Purchaser if the Vendor is in default of its obligation to sell the Property under this Agreement and that default is not waived in writing by the Purchaser; and
 - (iv) the Deposit, with interest if held in an interest-bearing trust account, will be repaid to the Purchaser if any of the Conditions Precedent is not satisfied or, where permitted, waived within the time provided for under this Agreement for such satisfaction or waiver or if the Purchaser elects not to complete the purchase of the Property under this Agreement pursuant to its express right to so elect as provided for under this Agreement;

and

- (b) by payment to the Vendor on the Completion Date of the balance of the Purchase Price, adjusted in accordance with this Agreement.

ARTICLE 3 - TRANSFER

3.1 Title and Possession – On the Completion Date, the Vendor will:

- (a) convey the estate in fee simple of the Property to the Purchaser free and clear of all liens, charges and encumbrances except for the Permitted Encumbrances and the Option/RFR that will be registered against title to the Property on the Completion Date; and
- (b) give vacant possession of the Property to the Purchaser, subject only to the Permitted Encumbrances the Option/RFR that will be registered against title to the Property on the Completion Date, and, in connection with the foregoing, the Vendor will end any tenancy agreement under which a tenant occupies the Property prior to the Completion Date by providing required notice of the same in accordance with the *Residential Tenancy Act* (British Columbia) as the Purchaser intends in good faith to occupy the Property on the Completion Date.

3.2 Adjustments – All adjustments to the Purchase Price in respect of the Property, both incoming and outgoing, usually the subject of adjustments between a Vendor and a Purchaser in connection with the purchase and sale of land, including adjustments of property taxes, utilities and rents property taxes will be made up to and including the Completion Date.

3.3 Delivery of Documents – Not less than seven days prior to the Completion Date, the Purchaser shall deliver the following documents to the Vendor:

- (i) the Discharge;
- (ii) the Transfer;
- (iii) the Option/RFR, executed by the Purchaser;
- (iv) the Vendor's statement of adjustments; and
- (v) a GST certificate, executed by the Purchaser, if required by section 5.3 of this Agreement.

3.4 Return of Documents – Not less than one day prior to the Completion Date, the Vendor shall deliver to the Purchaser, with the Purchaser providing undertakings satisfactory to the Vendor:

- (i) the Discharge, duly executed by the Vendor;
- (ii) the Transfer, duly executed by the Vendor;

- (iii) the Option/RFR, duly executed by the Vendor; and
- (iv) a GST certificate, duly executed by the Vendor, if required by section 5.3 of this Agreement;

3.5 Completion Procedure – On the Completion Date, the Purchaser and the Vendor shall take the following steps in the order prescribed:

- (a) the Purchaser shall apply to the LTO to register the following documents as an “all-or-nothing” package in the following order:
 - (i) the Discharge,
 - (ii) Transfer, and
 - (iii) the Option/RFR;
- (b) upon receipt of a LTO search of title to the Property showing the Discharge, Transfer and Option/RFR as a pending application and showing no liens, charges or encumbrances, registered or pending registration against title to the Property other than the Permitted Encumbrances, the Purchaser shall pay the adjusted Purchase Price to the Vendor’s solicitors in trust via certified cheque, bank draft or wire transfer; and
- (c) in connection with the purchase and sale of the Property, the Purchaser and the Vendor shall execute and deliver such other documents, instruments and assurances as may be required by the Purchaser to effect the transaction contemplated by this Agreement.

3.6 Purchaser Financing – If the Purchaser is relying upon a new mortgage to finance the Purchase Price, the Purchaser, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Vendor until after the transfer and new mortgage documents have been lodged for registration in the LTO, but only if, before such lodging, the Purchaser has: (a) made available for tender to the Vendor that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee’s conditions for funding except lodging the mortgage for registration, and (c) made available to the Vendor, a Lawyer’s or Notary’s undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds pursuant to the Canadian Bar Association (BC Branch) (Real Property Section) standard undertakings.

3.7 Registration of RFR/Option – The Purchaser acknowledges that:

- (a) the Existing Option/RFR is currently registered on title to the Property and imposes obligations on the purchase and sale of the Property in respect to, among other things, the price the Property can be sold for and who the Property can be sold to, and

(b) on the Completion Date, the Existing Option/RFR will be discharged and the Option/RFR attached to this Agreement will be registered on title to the Property.

3.8 Risk – The Property is at the Vendor’s risk until application is made to register the Transfer in the LTO on the Completion Date and at the Purchaser’s risk thereafter.

ARTICLE 4 - VENDOR REPRESENTATIONS, WARRANTIES AND COVENANTS

4.1 Vendor Representations and Warranties – The Vendor hereby represents and warrants to the Purchaser that the following are true, and shall be true on the Completion Date:

- (a) the Vendor is not a “non-resident” of Canada within the meaning of the *Income Tax Act* (Canada) and it is not acting as an agent, trustee or nominee for any person in connection with the transaction contemplated by this Agreement;
- (b) the Vendor sells and the Purchaser purchases the Land on an “as is” basis and condition;
- (c) the Property and all included items will be in substantially the same condition at the Completion Date as when viewed by the Purchaser on [REDACTED]; and
- (d) the Purchase Price includes any buildings, improvements, fixtures, appurtenances and attachments thereto, and all blinds, screen doors and windows, fixed mirrors, fixed carpeting, electric, plumbing, heating, refrigerator, stove, dishwasher and all appurtenances and attachments thereto as viewed by the Purchaser at the date of inspection, including:

[REDACTED]

but excluding:

[REDACTED]

ARTICLE 5 - MISCELLANEOUS

5.1 Fees and taxes – The Purchaser will pay, as and when due and payable:

- (a) any property transfer tax payable under the *Property Transfer Tax Act* (British Columbia) in connection with the sale of the Property to the Purchaser;
- (b) LTO registration fees in connection with the registration of the Discharge, Transfer and RFR/Option;

- (c) its own legal fees and disbursements; and
- (d) any GST payable under the *Excise Tax Act* (Canada) in respect of the sale of the Property to the Purchaser, with the Purchaser and the Vendor agreeing that the Purchase Price does not include GST.

The Vendor will pay its own legal fees and disbursements in connection with this Agreement and the completion of the transaction contemplated under this Agreement

5.2 Agent Disclosure: The Vendor(s) and Purchaser(s) acknowledge that Mieke Dusseldorp Personal Real Estate Corporation is a licensed REALTOR®, and 460 Realty Inc is a licensed Brokerage, that are acting on behalf of the Tofino Housing Corporation Inc. and do not represent either the Purchaser(s) or Vendor(s).

5.3 Preparation of Conveyancing Documents – The Purchaser will, at its expense, prepare all necessary conveyancing documentation, including the Discharge, Transfer and RFR/Option.

5.4 GST Certificate - If the transaction contemplated by this Agreement is exempt from the payment of GST, the Vendor shall execute and deliver to the Purchaser on or before the Completion Date, an appropriate GST exemption certificate to relieve the parties of their obligations to pay, collect and remit GST in respect of the transaction. If the transaction contemplated by this Agreement is not exempt from the payment of GST, the Vendor and the Purchaser shall execute and deliver to the other party, in accordance with this Agreement, an appropriate GST certificate in respect of the transaction.

5.5 Further Assurances – The parties will execute and deliver all such further documents, deeds and instruments, and do and perform such other acts, as may be reasonably necessary to give full effect to the intent and meaning of this Agreement.

5.6 Notice – Any notice, direction, demand, approval, certificate or waiver (any of which constitutes a “Notice” under this section) which may be or is required to be given under this Agreement will be in writing and be delivered to the applicable address set out above, or to such other address number of which notice has been given as provided in this section. Any Notice that is delivered is to be considered given on the day it is delivered, except that if that day is not a Business day, the Notice is to be considered given on the next Business day after it is sent.

5.7 Vendor’s Solicitor – If the Vendor accepts the Purchaser’s offer as set out in this Agreement, the Vendor will promptly thereafter notify the Purchaser of its solicitor or notary public for the purposes of the transaction contemplated under this Agreement.

5.8 Time of Essence – Time is of essence of this Agreement.

5.9 Interpretation – In this Agreement:

- (a) all dollar amounts referred to in this Agreement are Canadian dollars;

- (b) reference to the singular includes a reference to the plural, and vice versa, unless the context requires otherwise;
- (c) article and section headings have been inserted for ease of reference only and are not to be used in interpreting this Agreement;
- (d) the term “enactment” has the meaning given to it under the Interpretation Act (British Columbia) on the reference date of this Agreement;
- (e) reference to any enactment includes any regulations, orders or directives made under the authority of that enactment;
- (f) reference to any enactment is a reference to that enactment as consolidated, revised, amended, re-enacted or replaced from time to time, unless otherwise expressly provided;
- (g) reference to a particular numbered section or article, or to a particular lettered Schedule, is a reference to the correspondingly numbered or lettered article, section or Schedule of this Agreement and any Schedules to this Agreement form part of this Agreement; and
- (h) where the word "including" is followed by a list, the contents of the list are not intended to circumscribe the generality of the expression preceding the word "including".

5.10 Tender – Any tender of documents or money to be made upon a party may be made at that party’s address set out in this Agreement or upon their solicitor.

5.11 No Other Agreements – This Agreement is the entire agreement between the parties regarding its subject and it terminates and supersedes all other representations, warranties, promises and agreements regarding its subject.

5.12 Assignment – The Vendor may not assign all or any part of this Agreement, or the benefit hereof, without the prior written consent of the Purchaser, which may be withheld arbitrarily and without reason.

5.13 Benefit – This Agreement enures to the benefit of and is binding upon the parties and their respective heirs, executors, administrators, successors and assigns.

5.14 Schedules – The following are Schedules to this Agreement and form an integral part of this Agreement: Schedule A – Current Title; Schedule B – Option/RFR; Schedule C – Conditions Precedent; Schedule D – Confirmation of Sale Terms by District of Tofino; Schedule E – Property Disclosure Statement

5.15 Modification – This Agreement may not be modified except by an instrument signed in writing by the parties, except that the Completion Date may be changed by their agreement

through their respective solicitors upon instructions to their solicitors as evidenced promptly thereafter in writing by their solicitors.

5.16 Governing Law – This Agreement will be governed by and construed in accordance with the laws of British Columbia.

5.17 Non-Merger – None of the provisions of this Agreement will merge in the transfer of the Property or any other documents delivered on the Completion Date and the provisions of this Agreement will survive the completion of the purchase and sale transaction under this Agreement.

5.18 Offer – This Agreement is an offer by the Purchaser to the Vendor to enter into a contract of purchase and sale on the terms and conditions contained in this Agreement. Unless revoked in writing by the Purchaser, this offer is open for acceptance by the Vendor by the execution of this Agreement by the Vendor and delivery to the Purchaser no later than 4:00 p.m. on [REDACTED], 2020, and if not so accepted, this offer is null and void. Upon acceptance of this offer by the Vendor as provided in this section, but not before, this Agreement will become a binding agreement for the purchase and sale of the Property on the terms and conditions of this Agreement. As evidence of its offer to purchase the Property on the terms and conditions contained in this Agreement, and as evidence of its agreement to be bound by those terms and conditions if the Vendor accepts the Purchaser’s offer, the Purchaser has executed this Agreement below on the date set out below:

Signed, Sealed and Delivered in the)
presence of:)

_____)

Name)

_____)

Address)

_____)

Occupation)

Date: _____)

_____)
Name:

In consideration of the promises of the Purchaser contained in this Agreement, **THE VENDOR HEREBY ACCEPTS** the Purchaser's offer and agrees to be bound by the terms and conditions of this Agreement as a binding agreement for the purchase and sale of the Property on the terms and conditions of this Agreement, and as evidence of such acceptance and agreement, the Vendor has executed this Agreement below on the date set out below.

DISTRICT OF TOFINO

by its authorized signatories:

Signatory:

Signatory:

Date: _____

SCHEDULE A

CURRENT TITLE

[NTD: Insert title search]

SCHEDULE B

OPTION/RFR

[NTD: Insert New Option/RFR]

SCHEDULE C
CONDITIONS PRECEDENT

1. Purchaser's Conditions Precedent – The Purchaser's obligation to complete the transaction contemplated by this Agreement is subject to the satisfaction of the following Conditions Precedent, which are for sole the benefit of the Purchaser and may be waived by the Purchaser at its sole discretion:

- (a) on or before 12:00PM on [REDACTED], the Purchaser has been approved for financing on terms it deems acceptable from a lending institution of its choice.
- (b) on or before 12:00PM on [REDACTED], the Purchaser is satisfied with the results of inspection of the Property and that such inspection didn't reveal any defects whose cumulative cost of repair exceeds \$1,000.00 and which reasonably may adversely affect the Property's use or value.
- (c) on or before 12:00PM on [REDACTED], the Purchaser is satisfied with the results of its review of the Strata Documents.

In consideration of \$10.00 non-refundable paid by the Purchaser to the Vendor and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Vendor, the Vendor agrees to remain bound by the terms and conditions of this Agreement while it remains subject to the Conditions Precedent under this section. If the Purchaser does not give the Vendor notice of its satisfaction or waiver of any of the Condition Precedent within the time provided herein, this Agreement will be at an end.

2. Terms in Relation to Fulfilment of Purchaser's Conditions Precedent

- (a) **Provision of Strata Documents** – In connection with the section 1. (c) above, the Vendor will provide, at the Purchaser's written request and at no cost Purchaser, the Strata Documents, not less than [REDACTED] days prior to the Completion Date.

For clarity, the Vendor will provide all Strata Council meeting minutes, Annual General meeting minutes, Extraordinary or Special meeting minutes, and financial statements of the Strata Corporation for Strata Plan EPS1485 from the date that is 24 months prior to the date the Vendor accepted the offer to purchase until the date the Vendor received the written request for the Strata Documents under this section.

- (b) **Access for Inspection Purposes** – The Purchaser and its agents and contractors will have a licence, exercisable on 24 hours prior written notice to the Vendor, to enter upon the Property from time to time prior to the Completion Date, at the Purchaser's sole risk and expense, for the purpose of making inspections.

3. Vendor's Conditions Precedent – The Vendor's obligation to complete the transaction contemplated by this Agreement is:

- (a) subject to the Vendor notifying the Purchaser in writing not later than 12:00PM on [REDACTED] that the Tofino Housing Corporation Inc., acting on behalf of the District of Tofino (the "Municipality"), has approved the terms of the sale of the Property to the Purchaser and that the Municipality has decided not to exercise its option to purchase the Property with respect to this transaction only; and
- (b) subject to the Vendor notifying the Purchaser in writing no later than 12:00PM on [REDACTED] that the Tofino Housing Corporation Inc., acting on behalf of the Municipality, has confirmed the Purchaser's eligibility to own the Property.

These Vendor Conditions are for the sole benefit of the Vendor and may be satisfied by the Vendor by notice in writing to the Purchaser. If the Vendor's Conditions are not satisfied on or before the date specified for their removal, this agreement will be automatically terminated, the deposit will be returned to the Purchaser, and neither party will have any further obligation to the other under this agreement.

SCHEDULE D

CONFIRMATION OF SALE TERMS – DISTRICT OF TOFINO

RE: ADDRESS: UNIT #101-625 GIBSON ST., TOFINO BC, V0R 2Z0

TAKE NOTICE THAT the Tofino Housing Corporation Inc., acting on behalf of the District of Tofino (the “Municipality”), having confirmed the Purchaser’s eligibility to own the property, has approved the terms of the sale of the Property to the Purchaser and that the Municipality has decided not to exercise its option to purchase the Property with respect to this transaction only.

Dated at _____, British Columbia, this _____ day of _____, 20__.

(Print Name)

Tofino Housing Corporation Inc. Authorized Signatory

(Signature)

Witness, Print Name

Signature

RECEIPT OF THIS NOTICE is acknowledged by the Vendor this _____ day of _____ 20__, at Tofino, British Columbia.

Witness, Print Name

Vendor, Print Name

Signature

Signature

Witness, Print Name

Vendor, Print Name

Signature

Signature

SCHEDULE E

PROPERTY DISCLOSURE STATEMENT

[NTD: Insert property disclosure statement]