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SCHEDULE "A"

This is the Schedule referred to in
Paragraph (a) of Section 28.02 of this lease

MODEL STRATA LOT LEASE

BETWEEN:

CITY OF VANCOUVER

(herein called the "LESSOR")

OF THE FIRST PART

AND:

CREEK VILLAGE BUILDING CO-OPERATIVE
ASSOCIATION, an association incorporated
under the Co-Operative Associations Act
of the Province of British Columbia with
an office at 1972 West 4th Avenue, in the
City of Vancouver, in the Province of
British Columbia,
Certificate of Incorporation No. 1016
(herein called the "LESSEE")

OF THE SECOND PART

NOW THIS INDENTURE WITNESSES that in consideration
of the rents, covenants and agreements hereinafter reserved
and contained and on the part of the LESSEE to be paid,
observed and performed, the LESSOR has demised and leased
and by these presents does demise and lease unto the LESSEE,
and the LESSEE does hereby take and rent upon and subject
to the conditions hereinafter expressed the STRATA LOT.

TO HAVE AND TO HOLD the STRATA LOT for and during the TERM commencing on the date of deposit of the LEASEHOLD STRATA PLAN (herein defined) and from thenceforth next ensuing and fully to be completed and ended on the day immediately preceding the sixtieth (60th) anniversary of the DATE FOR COMMENCEMENT OF RENTAL unless this lease shall be renewed under the provisions of Article XXIV.

YIELDING AND PAYING to the LESSOR in each and every of the years during the TERM rent as hereinafter provided.

This lease is made upon and subject to the following covenants and conditions which each of the LESSOR and the LESSEE respectively covenants and agrees to keep, observe and perform to the extent that the same are binding or expressed to be binding upon it.

ARTICLE I
DEFINITIONS

Section 1.01

The terms defined in this section 1.01 for all purposes of this lease unless otherwise specifically provided herein, have the meanings hereinafter specified. The terms here defined are:-

- (a) "ADDITIONAL RENT" means the amounts, if any, payable by the LESSEE pursuant to sections 3.02, 3.04, 3.05 and 5.12;
- (b) "BASIC RENT" as of any particular time means the net basic rental provided for in this lease during the TERM, together with any other and additional amounts which are herein expressed to be added to and made part of BASIC RENT, other than ADDITIONAL RENT;
- (c) "BUILDINGS" means all structures and buildings constructed upon the SAID LANDS or any part thereof, together with all replacements, alterations, additions, changes, substitutions, improvements or repairs thereto, all COMMON FACILITIES and all other improvements from time to time constructed upon or affixed or appurtenant to the SAID LANDS;
- (d) "COMMON FACILITY" means a facility that is available for the use of all the OWNERS, and, without limiting the generality of the foregoing, may include a laundry room, playground, swimming pool, recreation centre, clubhouse, tennis court, or any other facility;
- (e) "COMMON PROPERTY" means so much of the SAID LANDS and BUILDINGS for the time being comprised in the LEASEHOLD STRATA PLAN that is not comprised in any STRATA LOT shown in the LEASEHOLD STRATA PLAN;

- (e) "DATE FOR COMMENCEMENT OF RENTAL" means the date of the GROUND LEASE;
- (g) "GROUND LEASE" means that certain indenture of lease dated the 13th day of *May*, 1976 and made between the City of Vancouver, as Lessor, and the Creek Village Building Co-Operative Association, as Lessee, wherein the said lessor demised unto the said lessee for a term of sixty (60) years the SAID LANDS;
- (h) "LEASEHOLD STRATA PLAN" means a strata plan deposited in the Vancouver Land Registry Office pursuant to the STRATA TITLES ACT in which the land included in the strata plan is subject to this lease;
- (i) "MORTGAGE" means a mortgage or mortgages upon or in respect of the leasehold interest of the LESSEE in the SAID LANDS and the BUILDINGS or any part thereof and includes any deed of trust and mortgage to secure any bonds or debentures issued thereunder;
- (j) "MORTGAGEE" means a mortgagee or mortgagees under a MORTGAGE and includes any trustee for bondholders or debenture holders under a deed of trust and mortgage to secure any bonds or debentures issued thereunder;
- (k) "OWNER" means a person registered in the Vancouver Land Registry Office as a lessee pursuant to a lease of a leasehold interest from the LESSOR in a STRATA LOT whether entitled thereto in the right of the OWNER or in a representative capacity or otherwise and includes a purchaser as that term is defined in the STRATA TITLES ACT;
- (l) "SAID DATE" means the date of substantial completion of the BUILDINGS in accordance with section 4.02 of the GROUND LEASE or 1 July 1976, whichever date occurs first;
- (m) "SAID LANDS" means those lands in the City of Vancouver in the Province of British Columbia, more particularly known and described as Lot 8, False Creek, Plan 16003 and owned by the LESSOR;

- (n) "SPECIAL RESOLUTION" means a special resolution passed by the STRATA CORPORATION in accordance with the provisions of the STRATA TITLES ACT;
- (o) "STRATA CORPORATION" means the corporation created by the provisions of the STRATA TITLES ACT, the lessee or lessees of the STRATA LOTS included in the LEASEHOLD STRATA PLAN and his or their successors constituting and being the members for the time being of the corporation;
- (p) "STRATA LOT" means a strata lot shown as such on the LEASEHOLD STRATA PLAN, together with any structure erected therein or thereon and including its share in the COMMON PROPERTY and COMMON FACILITIES;
- (q) "STRATA TITLES ACT" means the Strata Titles Act, S.B.C. 1974, Chapter 89, as amended from time to time;
- (r) "TERM" means the unexpired portion of the term of the GROUND LEASE commencing on the date of deposit of the LEASEHOLD STRATA PLAN and ending on the day immediately preceding the sixtieth (60th) anniversary of the DATE FOR COMMENCEMENT OF RENTAL, save and except as modified by Article XXIV;
- (s) "UNIT ENTITLEMENT" means the unit entitlement of a STRATA LOT and indicates the share of the OWNER in the COMMON PROPERTY, COMMON FACILITIES, and other assets of the STRATA CORPORATION and is the figure by reference to which the OWNER's contribution to the common expenses of a STRATA CORPORATION is calculated.

Section 1.02

All the provisions of this lease shall be deemed and construed to be conditions as well as covenants as though the words specifically expressing or importing covenants or conditions were used in each separate provision hereof.

Section 1.03

The words "herein", "hereby", "hereunder" and words of similar import refer to this lease as a whole and not to any particular article, section or subsection hereof.

ARTICLE IIPAYMENT OF RENTSection 2.01 Annual Rent

The LESSEE covenants and agrees to pay to the LESSOR as rent BASIC RENT as follows:-

- (a) for and during each year of the TERM ending on the day next preceding the thirtieth (30th) anniversary of the SAID DATE the BASIC RENT for each of the STRATA LOTS described in Schedule "E" attached hereto and in accordance therewith;
- (b) for and during each subsequent ten (10) year period of the TERM commencing on the thirtieth (30th) anniversary of the SAID DATE, such annual sum as may be agreed upon in writing by and between the LESSOR and the LESSEE, provided that if the LESSOR and the LESSEE do not agree in writing upon the BASIC RENT for any of the subsequent ten (10) year periods of the TERM at least six (6) months prior to the thirtieth (30th) anniversary of the SAID DATE or the end of any ten (10) year period (as the case may be) of the TERM next preceding the ten (10) year period of the TERM in respect of which the BASIC RENT has not been agreed upon, the BASIC RENT for each year of the last-mentioned ten (10) year period of the TERM shall be the market rental value of that part of the SAID LANDS comprised in the STRATA LOT and in its share of the COMMON PROPERTY at the date which shall be six (6) months prior to the thirtieth (30th) anniversary of the SAID DATE or the end of the ten (10) year period (as the case may be) of the TERM next preceding and such market rental value shall be determined by arbitration. The arbitrators shall within the six (6) month period aforesaid appraise and determine the market rental value of that part of the SAID LANDS comprised in the STRATA LOT and in its share of the COMMON PROPERTY and if the arbitrators shall not have determined such market rental value within the said six (6) month period, the LESSEE shall pay to the LESSOR during the next ten (10) year period of the TERM a BASIC RENT as provided in section 2.02. The LESSEE covenants and agrees to pay the BASIC RENT as so calculated for each of the said ten (10) year periods of the TERM in twelve

(12) equal monthly instalments in advance, on the first day of each month in each year during the ten (10) year period of the TERM to which such BASIC RENT applies, provided, however that should the date upon and from which such BASIC RENT first begins to accrue be a date other than the first day of a month, such BASIC RENT shall be apportioned accordingly as to the first and last months of each of the said ten (10) year periods of the TERM, provided further that the remainder of the TERM following the second ten (10) year period of the TERM referred to in this section 2.01(b) being less than ten (10) years, the provisions of this section 2.01(b) shall apply, mutatis mutandis, to such remaining period.

- (c) In determining the market rental value of that part of the SAID LANDS comprised in the STRATA LOT and in its share of the COMMON PROPERTY pursuant to this Article II, the arbitrator shall exclude from such determination the value of the BUILDINGS and all other structures and improvements in and upon such parts of the SAID LANDS (as if the same were unimproved) and shall determine such market rental value on the basis that such parts of the SAID LANDS may only be used for the purposes set forth in this lease.

Section 2.02 Adjustment of BASIC RENT

IF the BASIC RENT at any time payable hereunder is subject to a revision which is dependent upon a determination to be made pursuant to the provisions of section 2.01, but which has not then been made, and if consequently the amount of the revision of the BASIC RENT cannot then be ascertained, the LESSEE shall, pending such determination, continue to pay monthly instalments of the BASIC RENT equal to the monthly instalments payable in the year immediately preceding the period of the TERM for which such revision of the BASIC RENT is to be determined or such larger instalments as the LESSEE may elect and when the revised BASIC RENT has been ascertained, the LESSEE shall pay to the LESSOR the amount, if any, by which the monthly instalments of the revised BASIC RENT payable prior to the date thereof exceeds the amount actually paid between the termination of the said immediately preceding year and the final determination of the revised BASIC RENT together with

interest at the rate of one per centum (1%) per annum above the average prime lending rate of the main branches of the chartered banks of Canada carrying on business in the City of Vancouver on such excess amount or the LESSOR shall credit the LESSEE against future instalments of BASIC RENT with any overpayment together with interest at the rate of one per centum (1%) per annum above the average prime lending rate of the main branches of the chartered banks of Canada carrying on business in the City of Vancouver on such overpayment.

Section 2.03 Net Lease

Unless otherwise expressly stipulated herein to the contrary, all rent required to be paid by the LESSEE hereunder shall be paid without any deduction, abatement or set-off whatsoever, it being the intention of this lease that all expenses, costs, payments and outgoings incurred in respect of the STRATA LOT or for any other matter or thing affecting the STRATA LOT shall be borne by the LESSEE, that the rent herein provided shall be absolutely net to the LESSOR and free of all abatements, set-off or deduction of real property taxes, charges, rates, assessments, expenses, costs, payments or outgoings of every nature arising from or related to the STRATA LOT or any other improvements on the STRATA LOT and that the LESSEE shall pay or cause to be paid all such taxes, charges, rates, assessments, expenses, costs, payments and outgoings, EXCEPTING ONLY, if applicable, income tax payable by the LESSOR in respect of income received from the lease of the SAID LANDS and the principal and interest payments to be made in connection with any mortgage or mortgages charging the SAID LANDS.

Section 2.04 Collection of other amounts due

Any sums, costs, expenses or other amounts from time to time due and payable by the LESSEE to the LESSOR under the provisions of this lease, including sums payable by way of indemnity, and whether expressed to be rent or not in this lease, may at the option of the LESSOR be treated as and deemed to be BASIC RENT, in which event the LESSOR shall have all the remedies for the collection of such sums, costs, expenses or other amounts, when in arrears, as are available to the LESSOR for the collection of rent in arrears.

Section 2.05 Interest on amounts in arrears

When the BASIC RENT, ADDITIONAL RENT or any other amounts payable hereunder by the LESSEE to the LESSOR shall be in arrears, such amount shall bear interest at the rate of three per centum (3%) per annum above the average prime lending rate of the main branches of the chartered banks of Canada carrying on business in the City of Vancouver until paid, and the LESSOR shall have all the remedies for the collection of such interest, if unpaid after demand, as in the case of rent in arrears, but this stipulation for interest shall not prejudice or affect any other remedy of the LESSOR under this lease.

ARTICLE IIIPAYMENT OF TAXESSection 3.01 Payment of Taxes if LESSOR
is not exempt therefrom

Save as otherwise provided in section 3.02, the LESSOR will, in each and every year during the TERM not later than the day immediately preceding the date or dates on which real-property taxes and other charges imposed upon real property within the City of Vancouver become due and payable whether monthly, quarterly, twice-yearly or otherwise, pay and discharge or cause to be paid and discharged all taxes, rates, duties, charges and assessments, including school taxes, local improvement rates and other charges which now are or shall or may be levied, rated, charged or assessed against the STRATA LOT, all other structures, all machinery, equipment, facilities and other property of any nature whatsoever thereon and therein, whether such taxes, rates, duties, charges and assessments are charged by any municipal, parliamentary, legislative, regional, school or other authority during the TERM and will indemnify and keep indemnified the LESSOR from and against payment of all losses, costs, charges and expenses occasioned by or arising from any and all such taxes, rates, duties, charges and assessments; and any such losses, costs, charges and expenses suffered by the LESSOR may be collected by the LESSOR as BASIC RENT with all rights of distress and otherwise as reserved to the LESSOR in respect of rent in arrears. The LESSEE further covenants and agrees that during the TERM, it will deliver to the LESSOR for inspection receipts for payments of all taxes, rates, duties, charges, assessments, including school taxes, local improvement rates and other charges in respect of the STRATA LOT, all other structures, all machinery, equipment, facilities and other property of any nature whatsoever thereon and therein which were due and payable during the TERM within fourteen (14) days following receipt by the LESSEE of each of such receipts for payment. The LESSOR shall, not later than fourteen (14) days following receipt of any assessment notices delivered to the LESSOR by any taxing authority relating to

the STRATA LOT, or any other structures, any machinery, equipment, facilities and other property of any nature whatsoever thereon and therein, forward a copy thereof to the LESSEE. The LESSEE shall have the right from time to time to appeal any assessment of the STRATA LOT or any other tax, rate, duty, charge or amount referred to in this section 3.01 provided that such appeal shall be at the sole cost and expense of the LESSEE. If in the future the LESSEE is unable to appeal any assessment of the STRATA LOT or any other tax, rate, duty, charge or amount referred to in this section 3.01 except in the name of the LESSOR, then the LESSEE shall have the right to appeal in the name of the LESSOR.

Notwithstanding anything herein contained, the LESSEE shall be responsible only for the payments referred to in this section 3.01 from the date of the deposit of the LEASE-HOLD STRATA PLAN and if such date shall be other than the first day of January in any year, such payments as to the first and last years of this lease shall be reduced proportionately.

Section 3.02 Payment of Taxes if LESSOR
is exempt therefrom.

The LESSEE covenants and agrees with the LESSOR that if during the TERM, the STRATA LOT, all other structures, all machinery, equipment and facilities and other property of any nature whatsoever thereon and therein and any other property of any nature whatsoever thereon and therein are by the provisions of the Vancouver Charter, S.B.C. 1953, Chapter 55, as amended from time to time, or any other municipal, parliamentary, legislative or regional enactment exempt from taxation in whole or in part by reason of the LESSOR's ownership of the SAID LANDS and they would otherwise have been subject to taxation, then the LESSEE shall in each and every year during the TERM that such exemption occurs pay to the LESSOR as ADDITIONAL RENT, in like manner and time as taxes are to be paid pursuant to section 3.01, an amount equal to the amount that but for such exemption would have been paid by the LESSEE pursuant to section 3.01 for taxes, rates, duties, charges, assessments, including school taxes and local improvement rates, and other charges. For such purpose in each year during the TERM the following provisions shall apply:-

- (i) if the City of Vancouver or any municipal, parliamentary, legislative, regional or other authority having the authority so to do passes a by-law or by-laws in advance of the passing of a rating by-law or preparation of the real property tax roll for the current year providing for the payment of real property taxes and other charges imposed or to be imposed upon real property within the City of Vancouver by monthly, quarterly or twice-yearly instalments and providing that the amounts of such instalments shall be a percentage of the amount of real property taxes payable on the real property roll for the immediately preceding year, the LESSOR shall deliver to the LESSEE an advance tax statement or statements of the amount or amounts owing under such by-law or by-laws from time to time in respect of the STRATA LOT and all other structures, all machinery and equipment and facilities and other property of any nature whatsoever thereon and therein; and
- (ii) after the passing of a rating by-law or rating by-laws (as the case may be) by the City of Vancouver or any municipal, parliamentary, legislative, regional or other authority having the authority so to do, establishing the rate or rates to be levied on real property within the City of Vancouver, for the current year, the LESSOR shall determine the ADDITIONAL AMT by applying the rate or rates of levy established by such rating by-law or rating by-laws (as the case may be) to all, or such portion of the assessed value of the STRATA LOT and all other structures, all machinery, equipment and facilities and other property of any nature whatsoever thereon and therein as the said rate or rates of levy are applied to other taxpayers in the City of Vancouver in like case and the LESSOR shall deliver to the LESSEE a statement of the amount payable under this section 3.02 after deducting all real property taxes and other charges paid in advance for the current year.

The LESSEE shall have the right from time to time to appeal any assessment of the STRATA LOT or any other tax, rate, duty,

charge or amount referred to in this section 3.02, provided that such appeal shall be at the sole cost and expense of the LESSEE. If in the future, the LESSEE is unable to appeal any assessment of the STRATA LOT or any other tax, rate, duty, charge or amount referred to in this section 3.02 except in the name of the LESSOR, then the LESSEE shall have the right to appeal in the name of the LESSOR.

Notwithstanding anything herein contained, the LESSEE shall be responsible only for the payments referred to in this section 3.02 from the date of the deposit of the LEASE-HOLD STRATA PLAN and if such date shall be other than the first day of January in any year, such payments as to the first and last years of this lease shall be reduced proportionately.

Section 3.03 Delinquent Taxes

If the LESSEE shall in any year during the TERM fail to pay the taxes under section 3.01 when due, the LESSEE shall thereupon pay interest at the percentage rate or rates established by the City of Vancouver by by-law under the Vancouver Charter, S.B.C. 1953, Chapter 55, as amended from time to time or any other taxing authority, for unpaid real property taxes in the City of Vancouver, and in addition thereto, if such be the case, the interest fixed by the Vancouver Charter, S.B.C. 1953, Chapter 55, as amended from time to time or any other taxing authority, for delinquent taxes, but so that the LESSEE shall only be obligated to pay such interest as would be payable by other taxpayers in the City of Vancouver in like case.

Section 3.04 Payment for Utility Services

The LESSEE covenants with the LESSOR to pay for or cause to be paid when due all charges for gas, electricity, light, heat, power, telephone, water and other utilities and services used in or supplied to the STRATA LOT throughout the TERM, and will indemnify and keep indemnified the LESSOR from and against payment of all losses, costs, charges and expenses occasioned by or arising from any and all such charges, and any such loss, costs, charges and expenses which relate to such charges suffered by the LESSOR may be collected by the

LESSOR as ADDITIONAL RENT with all rights of distress and otherwise as reserved to the LESSOR in respect of rent in arrears.

Section 3.05 Business Tax and License Fees

The LESSEE covenants with the LESSOR to pay for or cause to be paid when due every tax and permit and license fee in respect of any and every business carried on, upon or in the STRATA LOT, in respect of the use or occupancy thereof by the LESSEE (and any and every sublessee, permittee and licensee) where required by the City of Vancouver, other than such taxes as corporate income, profits or excess profit taxes assessed upon the income of the LESSEE (or such sublessee, permittee and licensee) whether such taxes or permit and license fees are charged by any municipal, parliamentary, legislative, regional or other authority during the TERM and will indemnify and keep indemnified the LESSOR from and against payment of all losses, costs, charges and expenses occasioned by or arising from any and all such taxes and permit and license fees, and any such loss, costs, charges and expenses which relate to such charges suffered by the LESSOR may be collected by the LESSOR as ADDITIONAL RENT with all rights of distress and otherwise as reserved to the LESSOR in respect of rent in arrears.

ARTICLE IVUSE OF STRATA LOTSection 4.01 Use of STRATA LOT

The LESSEE covenants and agrees that the STRATA LOT (other than its share of the COMMON PROPERTY and COMMON FACILITIES) shall not be used for any purpose except that of townhouses unless the LESSOR approves in writing of any change in such use.

ARTICLE VINSURANCESection 5.01 Insurance

At all times during the TERM, the LESSEE shall at no expense to the LESSOR, insure and keep insured or cause the STRATA CORPORATION to insure and keep insured the BUILDINGS, and insurable improvements owned by the STRATA CORPORATION in one or more companies entitled to do business in the Province of British Columbia against loss or damage by fire and other perils now or hereafter from time to time embraced by or defined in the Commercial Building form of insurance coverage applicable to similar properties as the SAID LANDS, the BUILDINGS and any insurable improvements owned by the STRATA CORPORATION and effected in the Province of British Columbia by prudent owners from time to time during the TERM including, without restricting the generality of the foregoing, the hazards of lightning, earthquake, explosion, wind storm, cyclone, tornado, hail, riot, civil commotion, malicious damage, aircraft, smoke and vehicle damage to the extent that insurance against such risk or perils, or any of them, may be obtained in an amount equal to the full replacement value thereof and in addition thereto the LESSEE shall, at no expense to the LESSOR, insure and keep insured or cause the STRATA CORPORATION to insure and keep insured the BUILDINGS and any insurable improvements owned by the STRATA CORPORATION against all other risks required to be insured against under the provisions of any MORTGAGE to the extent that insurance against such risks or perils or any of them may be obtained.

Section 5.02 Pressure Vessel Insurance

At all times during the TERM the LESSEE shall, at no expense to the LESSOR maintain or cause the STRATA CORPORATION to maintain in respect of the BUILDINGS pressure vessel insurance with one or more companies entitled to do business in the Province of British Columbia protecting the LESSOR and the LESSEE in respect of all boilers and such other pressure vessels as the LESSEE may from time to time deem it necessary to insure in amounts to be designated by the LESSEE and approved by the LESSOR, such approval not to be unreasonably withheld; such insurance shall also cover loss or damage caused by rupture of steam pipes.

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Section 5.03 Deductible Amounts

Any of the policies of insurance referred to in section 5.01 or 5.02 hereof may, with the approval of the LESSOR, which approval shall not be unreasonably withheld, provide that the amount payable in the event of any loss shall be reduced by a deductible amount, such amount to be approved by the LESSOR, such approval not to be unreasonably withheld, and the LESSEE or the STRATA CORPORATION shall be a co-insurer to the extent of the amount so deducted from the insurance monies paid in the event of any loss, and the said amount shall, for the purpose of section 5.07 hereof, be included as part of the insurance monies payable and paid.

Section 5.04 Co-insurance Clauses

If any of the policies of insurance referred to in section 5.01 or 5.02 hereof shall contain any co-insurance clauses, the LESSEE shall maintain or cause the STRATA CORPORATION to maintain at all times a sufficient amount of insurance to meet the requirements of such co-insurance clause so as to prevent the LESSOR, the LESSEE or the STRATA CORPORATION from becoming a co-insurer under the terms of such policy or policies and to permit full recovery in the event of loss.

Section 5.05 Identity of Insured

Any and all policies of insurance referred to in section 5.01 or 5.02 hereof shall be written in the names of the LESSOR and either the LESSEE or the STRATA CORPORATION (as the case may be) as the insured with loss payable to the LESSOR, the LESSEE, the STRATA CORPORATION and the MORTGAGEE, if any, as their respective interests may appear, subject to the provisions of section 5.07 hereof, and shall contain a waiver of subrogation clause to the effect that any release from liability entered into by the LESSEE or the STRATA CORPORATION prior to any loss, shall not affect the right of the LESSEE, the STRATA CORPORATION or the LESSOR to recover. Each policy of insurance referred to in sections 5.01 and 5.02 hereof shall contain a provision or shall bear an endorsement that the insurer will not cancel such policy without first giving the LESSOR at least fifteen (15) days' notice in writing of its intention to cancel.

Section 5.06 Release of LESSOR from liability
for insured loss or damage

The LESSEE hereby releases the LESSOR, its successors and assigns, from any and all liability for loss or damage caused by any of the perils against which the LESSEE or the STRATA CORPORATION shall have insured or pursuant to the terms of this lease is obligated to insure the BUILDINGS and any insurable improvements owned by the STRATA CORPORATION or any part or parts thereof, and whether or not such loss or damage may have arisen out of the negligence of the LESSOR and the LESSEE hereby covenants to indemnify and save harmless the LESSOR from and against all manner of actions, causes of action, suits, damages, loss, costs, claims and demands of any nature whatsoever relating to such insured loss or damage.

Section 5.07 Payment of Loss under the Insurance Policies
referred to in sections 5.01 and 5.02

- (a) Subject to section 5.07(b), the insurance monies payable under any or all of the policies of insurance referred to in section 5.01 or 5.02 hereof shall, notwithstanding the terms of the policy or policies, be paid to the order of the insurance trustee designated by the by-laws of the STRATA CORPORATION, if any, otherwise it shall be paid to or to the order of the STRATA CORPORATION on behalf of the LESSOR, the LESSEE, the STRATA CORPORATION and the MORTGAGEE, if any.
- (b) Subject to Article VII hereof, the LESSOR and the LESSEE agree that the STRATA CORPORATION shall use such insurance monies for the restoration, reconstruction or replacement of the loss or damage in respect of which such insurance monies are payable hereunder against certificates of the architect engaged by the STRATA CORPORATION or such other person as the LESSOR and the LESSEE may agree upon who is in charge of such restoration, reconstruction or replacement. Should the STRATA CORPORATION fail to effect the restoration, reconstruction or replacement of the loss or damage in respect of which the insurance monies are payable, without unreasonable delay, the LESSOR shall be entitled to effect such restoration, reconstruction or replacement and the LESSEE shall cause the said insurance

trustee or the STRATA CORPORATION to whom such insurance monies are payable to pay or cause to be paid to the LESSOR such insurance monies in the same manner the said insurance trustee or the STRATA CORPORATION would have done had the STRATA CORPORATION effected such restoration, reconstruction or replacement.

Section 5.08 Workers' Compensation Coverage

At all times during the TERM, the LESSEE shall at its own expense procure and carry or cause to be procured and carried and paid for full workers' compensation coverage in respect of all workmen, employees, servants and others engaged in or upon any work, non-payment of which would create a lien on the STRATA LOT.

Section 5.09 Comprehensive General Liability

At all times during the TERM, the LESSEE shall, at no expense to the LESSOR, maintain or cause the STRATA CORPORATION to maintain in one or more companies duly authorized to carry on business within the Province of British Columbia, comprehensive General Liability Insurance against claims for personal injury, death or property damage or loss arising out of the use and occupation of the SAID LANDS and BUILDINGS and any insurable improvements owned by the STRATA CORPORATION indemnifying and protecting the LESSOR, the LESSEE and the STRATA CORPORATION to limits from time to time on a reasonable basis which is approved by the LESSOR, such approval not to be unreasonably withheld.

Section 5.10 Payment of Insurance Premiums

The LESSEE shall pay or cause the STRATA CORPORATION to pay all the premiums under the policies of insurance referred to in this Article V as they become due and payable and in default of payment by the LESSEE or STRATA CORPORATION, the LESSOR may pay the same and add the LESSEE's share of the amount so paid, to the BASIC RENT (which share shall be determined as hereinafter set forth) with all rights of distress and otherwise as reserved to the LESSOR in respect of BASIC RENT as rent in arrears. In apportioning the cost of such insurance, such cost shall be borne by the LESSEE in the proportion that the UNIT ENTITLEMENT of the LESSEE's STRATA LOT bears to the aggregate UNIT ENTITLEMENT of all of the STRATA LOTS.

Section 5.11 Terms of Insurance Policies

The LESSEE shall deliver or cause the STRATA CORPORATION to deliver to the LESSOR certified copies of all policies of insurance referred to in this Article V and obtained and maintained by the STRATA CORPORATION hereunder, accompanied by evidence satisfactory to the LESSOR that the premiums thereon have been paid.

Section 5.12 Insurance may be maintained by LESSOR

The LESSOR and the LESSEE agree that:-

- (a) The LESSOR, although not obliged to do so, may obtain and maintain insurance in respect of loss or damage to the SAID LANDS and the BUILDINGS against fire and other perils now or hereafter from time to time embraced by or defined in a standard fire insurance extended coverage or additional perils supplemental contract, in excess of any amount for which they are insured by the LESSEE or the STRATA CORPORATION under section 5.01 or in respect of the BUILDINGS, pressure vessel insurance in excess of any amount maintained by the LESSEE or the STRATA CORPORATION under section 5.02, or in respect of any other perils, including liability, in excess of any amount maintained by the LESSEE or the STRATA CORPORATION under section 5.09.
- (b) Should the LESSEE or the STRATA CORPORATION at any time during the TERM fail to insure or keep insured the BUILDINGS against loss or damage by fire and other perils as required under section 5.01 or fail to maintain in respect of the BUILDINGS, pressure vessel insurance as required under section 5.02, or fail to maintain insurance against claims for personal injury, death or property damage or loss as required under section 5.09, then in any of such events, the LESSOR, although not obliged to do so, may obtain and maintain such insurance in such amount or amounts with such deductible amounts and for such period or periods of time as the LESSOR deems advisable; and the LESSEE shall pay to the LESSOR as ADDITIONAL RENT upon the LESSOR obtaining any of such insurance and thereafter annually during the TERM within thirty (30) days after receipt of any invoice from the LESSOR the LESSEE's share

of the premiums for such insurance obtained by the LESSOR (which share shall be determined as hereinafter set forth). The LESSOR shall submit to the LESSEE annually a statement of the amount or amounts payable by the LESSEE under this section 3.12 as the cost of such insurance for the next ensuing year and upon receipt of payment therefor shall apply the same on account of the premiums of such insurance with the loss, if any, thereunder payable to the LESSOR, the LESSEE, the STRATA CORPORATION and any MORTGAGEE as their interests may appear. In apportioning the cost of such insurance, such cost shall be borne by the LESSEE in the proportion that the UNIT ENTITLEMENT of the LESSEE's STRATA LOT bears to the aggregate UNIT ENTITLEMENT of all of the STRATA LOTS.

Where the BUILDINGS are damaged or destroyed and the BUILDINGS are to be restored, reconstructed or replaced in whole or in part, the LESSOR and the LESSEE agree that the insurance monies payable under any or all of the policies of insurance maintained by the LESSOR under this section 3.12 in respect of loss or damage to the SAID LANDS and the BUILDINGS by fire and other perils or in respect of pressure vessels shall be used by the STRATA CORPORATION for the restoration, reconstruction or replacement of the loss or damage in respect of which such insurance monies are payable under this section 3.12 against certificates of the architect engaged by the STRATA CORPORATION or such other person as the LESSOR and the LESSEE may agree upon who is in charge of such restoration, reconstruction or replacement. Should the STRATA CORPORATION fail to effect the restoration, reconstruction or replacement of the loss or damage in respect of which the insurance monies are payable, without unreasonable delay, the LESSOR shall be entitled to effect such restoration, reconstruction or replacement and such insurance monies shall be used by the LESSOR to effect such restoration, reconstruction or replacement.

ARTICLE VIREPAIRS AND MAINTENANCESection 6.01 LESSOR not obliged to repair

The LESSOR shall not be obliged to furnish any services or facilities or to make repairs or alterations in or to the SAID LANDS or the BUILDINGS, the LESSEE hereby assuming the full and sole responsibility for the condition, operation, repair, replacement, maintenance and management of the SAID LANDS and the BUILDINGS.

Section 6.02 Repair to BUILDINGS

The LESSEE at the LESSEE's cost and expense shall during the TERM, subject to section 10.01, put and keep in good order and condition or shall cause to be put and kept in good order and condition (reasonable wear and tear excepted so long as the reasonable wear and tear does not affect the exterior appearance of the BUILDINGS or the foundation or structure of the BUILDINGS) the SAID LANDS and the BUILDINGS, and the appurtenances and equipment thereof, both inside and outside, including, but not limited to fixtures, walls, foundations, roofs, vaults, elevators, if any, and similar devices, heating and air conditioning equipment, sidewalks, yards and other like areas, water and sewer mains and connections, water, steam, gas and electric pipes and conduits, and all other fixtures in and appurtenances to the SAID LANDS and the BUILDINGS and machinery and equipment used or required in the operation thereof, whether or not enumerated herein, and shall, in the same manner and to the same extent as a prudent owner, make any and all necessary repairs, replacements, alterations, additions, changes, substitutions and improvements, ordinary or extraordinary, foreseen or unforeseen, structural or otherwise, and keep the BUILDINGS and aforesaid fixtures, appurtenances and equipment fully usable for all the purposes for which the BUILDINGS were erected and constructed and the aforesaid fixtures, appurtenances and equipment were supplied and installed. Such repairs shall be in all respects to a standard at least substantially equal in quality of material and workmanship to the original work and material in the BUILDINGS and shall meet the requirements of municipal,

provincial, federal, regional, school and other governmental authorities. The LESSEE shall not commit or suffer waste or injury to the SAID LANDS or the BUILDINGS or any part thereof, and shall not use or occupy or permit to be used or occupied the SAID LANDS or the BUILDINGS or any part thereof for any illegal or unlawful purpose, or in any manner which will result in the cancellation of any insurance, or in the refusal of any insurer to issue any insurance as requested. The LESSEE shall at all times at the LESSEE's expense except to the extent that it may be relieved therefrom by municipal by-laws or regulations, keep the sidewalks, curbs, areaways and rights-of-way forming part of or situated upon the SAID LANDS in good condition and repair and reasonably clean from rubbish, ice and snow and shall not encumber or obstruct the same or allow the same to be encumbered or obstructed in any manner; and shall not injure or disfigure the SAID LANDS or the BUILDINGS or permit the same to be injured or disfigured in any way; and at the expiration or other termination of this lease, the LESSEE shall, except as otherwise expressly provided herein, surrender and deliver up the SAID LANDS with the BUILDINGS, and the aforesaid fixtures, appurtenances and equipment thereof, or any replacements thereof or substitutions therefor, in good order and condition save as aforesaid. The LESSEE agrees not to call upon the LESSOR at any time during the TERM to make any repairs or replacements of any part of the BUILDINGS, or any alteration, addition, change, substitution or improvement thereof or thereto, whether structural or otherwise, this being a net lease. The LESSEE accepts the SAID LANDS "as is", knowing the condition thereof, and agreeing that the LESSOR has made no representation, warranty or agreement with respect thereto.

Section 6.03 Repairs to BUILDINGS by LESSOR

The LESSOR covenants and agrees with the LESSEE that if the LESSEE does not put and keep in good order and condition or cause to be put and kept in good order and condition the SAID LANDS and the BUILDINGS and the appurtenances and equipment thereof, both inside and outside, all as more particularly required by the provisions of section 6.02, the LESSOR through

its agents, servants, contractors and subcontractors, although not obliged to do so, may enter upon those parts of the SAID LANDS and the BUILDINGS required for the purpose of making any and all necessary repairs, replacements, alterations, additions, changes, substitutions and improvements to the same in order to comply with section 6.02; provided that the LESSOR will make such repairs, replacements, alterations, additions, changes, substitutions and improvements to the BUILDINGS or part or parts thereof only after giving the LESSEE sixty (60) days' written notice of its intention so to do, except in the case of an emergency. Any amount paid by the LESSOR in making such repairs, replacements, alterations, additions, changes, substitutions or improvements to the SAID LANDS and BUILDINGS or any part or parts thereof, together with all costs and expenses of the LESSOR, shall be borne by the LESSEE in the proportion determined as hereinafter set forth and the amount so determined shall be reimbursed to the LESSOR by the LESSEE on demand together with interest at the rate of three per centum (3%) per annum above the average prime lending rate of the main branches of the chartered banks of Canada carrying on business in the City of Vancouver from the date incurred until paid and may be recovered by the LESSOR as BASIC RENT. In apportioning any amount to which the LESSOR is entitled to reimbursement under this section 6.03, such amount shall be borne by the LESSEE in the proportion that the UNIT ENTITLEMENT of the LESSEE's STRATA LOT bears to the aggregate UNIT ENTITLEMENT of all of the STRATA LOTS.

Section 6.04 Removal of Ice and Snow from Sidewalks

The LESSEE covenants and agrees with the LESSOR that if the LESSEE at any time during the TERM does not keep or cause the STRATA CORPORATION to keep the public sidewalks adjacent to the SAID LANDS reasonably clean from ice and snow in accordance with the provisions of the City of Vancouver Street and Traffic By-law and amendments thereto, the LESSOR through its agents, servants, contractors and subcontractors may remove such ice and snow and the LESSOR shall not be required to give the LESSEE any notice of its intention so to do. Any costs and expenses incurred by the LESSOR in removing such ice and snow shall be borne by the LESSEE in the proportion determined as hereinafter set forth and the amount so determined shall be reimbursed to the LESSOR by

the LESSEE on demand together with interest at the rate of three per cent (3%) per annum above the average prime lending rate of the main branches of the chartered banks of Canada carrying on business in the City of Vancouver from the date incurred until paid and may be recovered by the LESSOR as BASIC RENT. In apportioning any amount to which the LESSOR is entitled to reimbursement under this section 6.04 such amount shall be borne by the LESSEE in the proportion that the UNIT ENTITLEMENT of the LESSEE's STRATA LOT bears to the aggregate UNIT ENTITLEMENT of all of the STRATA LOTS.

Section 6.05 LESSEE not relieved of obligations to repair

Notwithstanding that the STRATA CORPORATION assumes any of the obligations of the LESSEE referred to in this Article VI by reason of any statutory requirement or with the consent of the LESSOR, the LESSEE shall nevertheless remain bound to the LESSOR for the fulfilment of all of his obligations under this Article VI.

ARTICLE VIIDAMAGE OR DESTRUCTIONSection 7.01 Damage or Destruction of the BUILDINGS

The LESSOR and the LESSEE agree as follows:-

- (a) Subject always to section 7.01(j) for the purposes of this lease, the BUILDINGS shall be deemed to be destroyed on the happening of the following events:
 - (i) when the OWNERS by SPECIAL RESOLUTION so resolve; or
 - (ii) When the Supreme Court of British Columbia (hereinafter in this Article VII referred to as "the Court") is satisfied that, having regard to the rights and interests of the OWNERS as a whole, it is just and equitable that the BUILDINGS shall be deemed to have been destroyed and makes a declaration to that effect.
- (b) Subject always to section 7.01(j), where a declaration has been made under section 7.01(a)(ii) the Court may by order impose such conditions and give such directions, including directions for the payment of money, as it thinks fit for the purposes of adjusting or between the STRATA CORPORATION and the OWNERS and as amongst the OWNERS themselves the effect of the declaration.
- (c) Where the BUILDINGS are damaged but not deemed to be destroyed, the Court may, by order, settle a scheme, including provisions
 - (i) for the reinstatement in whole or in part of the BUILDINGS; and
 - (ii) for transfer or conveyance of the interest of OWNERS of STRATA LOTS that have been wholly or partially destroyed to the other OWNERS in proportion to the UNIT ENTITLEMENT of the STRATA LOTS of which they are the OWNERS.

(k) In the exercise of its powers under section 7.01(c), the Court may make such orders as it considers necessary or advisable in order to give effect to the scheme, including orders

(i) directing the application of insurance monies received by the STRATA CORPORATION in respect of damage to the BUILDINGS;

(ii) directing payment of money by the STRATA CORPORATION, or by OWNERS, or by some one or more of them;

(iii) directing such amendment of the MASSIMOLD STRATA PLAN as the Court thinks fit, so as to include in the COMMON PROPERTY any enlargement thereof; and

(iv) imposing such terms and conditions as it thinks fit.

(e) For the purposes of this section 7.01, an application may be made to the Court by the STRATA CORPORATION or by an OWNER, or by a registered MORTGAGEE of a STRATA LOT.

(f) The Court, on the application of the STRATA CORPORATION, or of an OWNER of a STRATA LOT, or of the registered MORTGAGEE of a STRATA LOT, may by order, make provision for the winding-up of the affairs of the STRATA CORPORATION, and, by the same or subsequent order, may declare the STRATA CORPORATION dissolved as of and from a date specified in the order.

(g) On an application to the Court under this section 7.01, the STRATA CORPORATION, an OWNER of a STRATA LOT, a registered MORTGAGEE of a STRATA LOT, and any insurer who has effected insurance on the BUILDINGS or any part thereof in respect of damage or destruction of the BUILDINGS has the right to appear.

(h) The Court may, from time to time, vary an order made by it under this section 7.01.

(i) on any application under this section 7.01, the Court may make such order for the payment of costs as it thinks fit.

(j) Section 7.01(a) and section 7.01(b) do not apply unless the BUILDINGS have been damaged or destroyed to an extent in excess of one-third of the value of the BUILDINGS.

Section 7.02 Special provision - Section 10.01 not to apply

The LESSOR and the LESSEE agree that upon termination of all leases of the STRATA LOTS and any renewals thereof, or upon purchase of the OWNERS' interest in STRATA LOTS pursuant to Article XXV, the BUILDINGS shall be deemed to be destroyed and the strata council of the STRATA CORPORATION shall distribute the assets of the STRATA CORPORATION to the OWNERS in shares apportioned in accordance with the Schedules filed pursuant to section 3 of the STRATA TITLES ACT, and section 7.01 does not apply. The STRATA CORPORATION shall forthwith lodge with the Vancouver Land Registrar a notice of destruction in a form prescribed by the STRATA TITLES ACT and the regulations thereunder.

Section 7.03 Disposition on Destruction of BUILDINGS

The LESSOR and the LESSEE agree that

- (a) where the BUILDINGS are destroyed, the STRATA CORPORATION may resolve, by SPECIAL RESOLUTION, not to rebuild, in which event the provisions of section 34 of the STRATA TITLES ACT shall apply with the necessary changes and so far as applicable to Part III of the STRATA TITLES ACT; but the MORTGAGEE shall not have the right to a vote on any SPECIAL RESOLUTION for the purpose of this section 7.03;
- (b) if the STRATA CORPORATION resolves not to rebuild the BUILDINGS, the interest of the OWNERS in the SAID LANDS shall revert to the LESSOR.

Section 7.64 Special provision if Sections 34 and 35 of the
STRATA TITLES ACT are no longer applicable

The LESSOR and the LESSEE agree that if at any time during the TERM any of the provisions of section 34 and 35 of the STRATA TITLES ACT are amended so as to make them no longer applicable to this lease or the LESSOR or Part III of the STRATA TITLES ACT or to any ground leases heretofore, now or hereafter made by the LESSOR for the purposes of the STRATA TITLES ACT and registered in the Vancouver Land Registry Office, then when such amendment or amendments come into force, the provisions of Schedule A, attached hereto shall apply, mutatis mutandis, to this lease and be binding upon the parties to the extent that the provisions of sections 34 and 35 of the STRATA TITLES ACT are no longer applicable hereto.

Section 7.65 LESSEE's obligations when BUILDINGS damaged
or destroyed to an extent that is not more
than one-third of the value thereof

Subject to the provisions of section 7.01(c) and section 7.01(d), the LESSEE covenants and agrees with the LESSOR that in the event of damage to or destruction of the BUILDINGS to an extent that is not more than one-third (1/3) of the value of the BUILDINGS, the LESSEE shall or shall cause the STRATA CORPORATION to either (a) replace any part of the BUILDINGS destroyed with a new structure in accordance with any agreement that may be made by the LESSEE with the LESSOR, or (b) repair or replace such damage or destruction, in the absence of any agreement.

ARTICLE VIIIREPLACEMENTS, CHANGES, ALTERATIONS
AND SUBSTITUTIONSSection 8.01

Except as hereinafter expressly provided, apart from minor repairs, the LESSEE shall not make or permit to be made any repairs, replacements, changes, alterations, substitutions or improvements affecting the structure of the BUILDINGS, or any part thereof, or the exterior appearance of the BUILDINGS, or any part thereof, without first obtaining the written approval of the LESSOR thereto, which approval the LESSOR agrees not to withhold unreasonably, provided that the LESSEE has fully complied with the terms, covenants and conditions of this lease. Before requesting the LESSOR's approval, the LESSEE shall submit or cause to be submitted to the LESSOR drawings, elevations (where applicable), specifications (including the materials to be used), locations (where applicable) and exterior decoration and design of the proposed repairs, replacements, changes, alterations, substitutions or improvements.

The LESSEE covenants and agrees with the LESSOR that, subject to Article IX, all repairs, replacements, changes, alterations, substitutions or improvements undertaken by or for the LESSEE once begun shall be prosecuted with due diligence to completion, free and clear of any and all mechanics' liens or other liens, conditional sales contracts, chattel mortgages or similar claims or encumbrances against the SAID LANDS, the BUILDINGS or the LESSOR and be performed in all respects in accordance with the law. All repairs, replacements, changes, alterations, substitutions or improvements shall meet the requirements of all municipal, provincial, federal, regional, school and other governmental authorities.

ARTICLE IXUNAVOIDABLE DELAYSSection 9.01

If by reason of strike, lock-out or other labour dispute, material or labour shortage not within the control of the LESSEE, fire or explosion, flood, wind, water, earthquake, act of God or other similar circumstances beyond the reasonable control of the LESSEE and not avoidable by the exercise of reasonable effort or foresight by the LESSEE, the LESSEE is, in good faith and without default or neglect on its part, prevented or delayed in the repair of the BUILDINGS or any part or parts of them which under the terms of this lease the LESSEE is required to do by a specified date or within a specified time, the date or period of time within which the work was to have been completed shall be extended by the LESSOR by a reasonable period of time at least equal to that of such delay or prevention and the LESSEE shall not be deemed to be in default if it performs and completes the work in the manner required by the terms of this lease within such extended period of time, or within such further extended period of time as may be agreed upon from time to time between the LESSOR and the LESSEE.

ARTICLE X
MECHANICS' LIENS

Section 10.01

Except as otherwise provided in section 10.02 hereof, the LESSEE shall, throughout the TERM at his own cost and expense, cause any and all liens or claims of liens for labour, services or materials alleged to have been furnished with respect to the SAID LANDS or the BUILDINGS which may be filed against or otherwise affect the SAID LANDS or the BUILDINGS to be paid, satisfied, released or vacated within forty-two (42) days after the LESSOR shall send to the LESSEE written notice by registered mail of any claim for any such lien, PROVIDED HOWEVER, that in the event of a bona fide dispute by the LESSEE of the validity or correctness of any claim for any such lien, the LESSEE shall not be bound by the foregoing but shall be entitled to apply for cancellation of the lien pursuant to the provisions of the Mechanics Lien Act and, in such event, shall do so within a period of fourteen (14) days after receipt of written notice from the LESSOR of any claim for a lien or defend against the same in any proceedings brought in respect thereof after first paying into Court the amount claimed or sufficient security therefor and such costs as the Court may direct and registering all such documents as may be necessary to cancel such lien, or providing such other security in respect of such claim as the LESSOR may in writing approve.

Section 10.02

Notwithstanding anything contained in section 10.01 hereof the LESSEE shall not be responsible for paying, satisfying, releasing or vacating any liens or claims of liens for labour, services or materials furnished with respect to any STRATA LOT other than the LESSEE's STRATA LOT which may be filed against such STRATA LOT; PROVIDED HOWEVER, that the provisions of this section 10.02 do not apply to any of the liens or claims of liens aforesaid filed against any COMMON PROPERTY or COMMON FACILITIES.

ARTICLE XIINSPECTION AND EXHIBITION BY LESSORSection 11.01 Inspection by LESSOR

The LESSOR and the LESSEE agree that it shall be lawful for a representative of the LESSOR at all reasonable times during the TERM to enter the STRATA LOT, and to examine the condition thereof; and, further, that all wants of reparation which upon such views shall be found, and for the amendment of which notice shall be delivered or given by the LESSOR to the LESSEE, the LESSEE shall within ninety (90) days after every such notice or such longer period as provided in subsection (b) of section 10.01 well and sufficiently repair and make good accordingly.

Section 11.02 Exhibition by LESSOR

During the final twelve (12) months of the TERM, unless this lease has been renewed, the LESSOR shall be entitled to display upon the SAID LANDS the usual signs advertising the STRATA LOT as being available for purchase or letting, provided such signs are displayed in such a manner as not to interfere unreasonably with the LESSEE's use of the STRATA LOT.

ARTICLE VII
ASSIGNMENT OF GOVERNMENTAL
REGULATIONS ETC.

Section 1.17

The Mayor, City Council and the CITY OF VANCOUVER shall through-
out the term of the AGREEMENT comply with and cause the
STRATA CORPORATION to comply with all provisions of law
including without limitation, municipal, regional, provin-
cial and federal legislative enactments, zoning and building
by-laws, and any municipal, regional, provincial, federal or
other governmental regulations which relate to the equipment,
maintenance, operation and use of the BUILDINGS, and to the
making of any repairs, replacement, alterations, additions,
changes, substitutions or improvements to or to the BUILDINGS
or any part thereof. The CITY OF VANCOUVER shall comply with
and cause the STRATA CORPORATION to comply with all police,
fire and health, or regulations imposed by any municipal, re-
gional, provincial, federal or other governmental authorities
and at present and any all municipal, regional, provincial,
federal and other governmental regulations and other require-
ments governing the use and occupation of the SAID LANDS
or the BUILDINGS.

ARTICLE XIIIRIGHTS OF LESSOR AND LESSEESection 13.01

All rights and benefits and all obligations of the LESSOR and the LESSEE under this lease shall be rights, benefits and obligations of the LESSOR and the LESSEE respectively in their capacities as lessor and lessee respectively under this lease.

INDEMNITYSection 14.01 Breach, Violation or Non-performance
of covenants by LESSEE

The LESSEE shall indemnify and save harmless the LESSOR from any and all manner of actions, causes of action, suits, damages, loss, costs, claims and demands of any nature whatsoever relating to and arising during the TERM out of any breach, violation or non-performance of any covenant, condition or agreement in this lease set forth and contained on the part of the LESSOR to be fulfilled, kept, observed or performed.

Section 14.02 Injury, damage or loss of property

(a) Notwithstanding the provisions of section 5.06 hereof, the LESSEE shall indemnify and save harmless the LESSOR from any and all manner of actions, causes of action, suits, damages, loss, costs, claims and demands of any nature whatsoever relating to and arising during the TERM out of:

- (i) any injury to person or persons, including death resulting at any time therefrom, occurring in or about the SAID LANDS or the BUILDINGS; and
- (ii) any damage to or loss of property occasioned by the use and occupation of the SAID LANDS or the BUILDINGS.

PROVIDED HOWEVER, that nothing contained herein shall require the LESSEE to indemnify the LESSOR against any action, causes of action, suits, claims or demands for damages arising out of the wilful or negligent acts or omissions of the LESSOR, its servants, agents or contractors.

(b) Notwithstanding anything contained in section 14.02(a), the LESSEE shall not be responsible for any manner of actions, causes of action, suits, damages, losses, costs, claims or demands of any nature whatsoever relating to or arising during the TERM out of any injury to person or persons, including death resulting at any time therefrom, occurring in or about any STRATA LOT other than the LESSEE's STRATA LOT and any damages to or loss of property occasioned in or upon any STRATA LOT other than the LESSEE's STRATA LOT; PROVIDED HOWEVER that the provisions of this section 14.02 (b) do not apply to any injury (including death) or any damage or loss aforesaid occurring or occasioned in or upon any COMMON PROPERTY or COMMON FACILITIES.

Section 14.03 Indemnification survives
termination of lease

The obligations of the LESSEE to indemnify the LESSOR under the provisions of sections 3.01, 3.04, 3.05, 5.06, 14.01 and 14.02 hereof with respect to liability by reason of any matter arising during the TERM shall survive any termination of this lease, anything in this lease to the contrary notwithstanding.

ARTICLE XVSUBLETTING AND ASSIGNINGSection 15.01 Subletting by LESSEE

- (a) The LESSEE may at any time and from time to time during the TERM sublease (whether absolutely or by way of MORTGAGE), the STRATA LOT without the consent of the LESSOR; PROVIDED HOWEVER that
- (i) no sublease shall be granted to any person, persons or corporation on or before 31 March, 1977, other than those persons who satisfy the requirements set forth in the schedule attached to this lease as Schedule D which schedule forms part of this lease;
 - (ii) where the LESSEE other than the original LESSEE sublets the STRATA LOT to any person, persons or corporation and at the time of such subletting the LESSEE is paying to the LESSOR rent calculated in accordance with the formula described in section 1 or section 2 in the schedule attached to this lease as Schedule C which schedule forms part of this lease, then as of the date the total number of days that the STRATA LOT has been sublet exceeds ninety (90) days (or such longer period as the LESSOR may approve in writing) within any one (1) year period of the TERM (whether or not such days are consecutive and whether or not there is more than one subletting), the LESSEE shall forthwith commence payment to the LESSOR rent determined and payable in accordance with the formula described in section 3 of Schedule C for the balance of the TERM;
- (b) Notwithstanding anything contained in this section 15.01 the LESSEE shall remain bound to the LESSOR for the fulfilment of all of its obligations hereunder.
- (c) If requested by the LESSOR, a copy of any or all subleases shall be furnished to the LESSOR by the LESSEE within thirty (30) days of the conclusion of each transaction together with evidence satisfactory to the LESSOR that the sublessees have satisfied the requirements set forth in Schedule "D" in accordance with section 15.01 (a) (i) and particulars of registration of the subleases in the Vancouver Land Registry Office in the Province of British Columbia.

Section 15.02 Assignment by LESSEE

The LESSEE may, at any time and from time to time during the TERM, assign (whether absolutely or by way of MORTGAGE) the STRATA LOT without the consent of the LESSOR; PROVIDED HOWEVER that any assignment by the LESSEE of its leasehold interest in the STRATA LOT shall be made subject to the following conditions:-

- (a) the assignment shall be in the form attached hereto as Schedule B which forms a part of this lease with such additions, deletions or amendments thereto as are appropriate to the premises to be assigned and as are approved by the LESSOR;
- (b) the original LESSEE shall only have the right and option of assigning its interest in a STRATA LOT using the formula described in section 1 or section 3 of Schedule C for the calculation of rent; PROVIDED HOWEVER that the original LESSEE shall not assign its interest in the STRATA LOT to any assignee using the formula described in section 1 of Schedule C for the calculation of rent unless such assignee will receive financial assistance under the provisions of the Department of Housing Act, S.B.C. 1973, Chapter 110, and amendments thereto;
- (c) where an assignment of the STRATA LOT is made by the LESSEE to an assignee who is not eligible for financial assistance under the provisions of the Department of Housing Act aforesaid then during the residue unexpired of the TERM as and from the date the assignment takes effect the assignee shall pay to the LESSOR rent determined and payable in accordance with the formula described in section 3 of Schedule "C";
- (d) except as otherwise provided in section 15.02 (b) where an assignment of the STRATA LOT is made by the LESSEE to an assignee who is eligible for financial assistance under the provisions of the Department of Housing Act aforesaid then during the residue unexpired of the TERM as and from the date the assignment takes effect the assignee shall pay to the LESSOR rent determined and payable in accordance with the formula described in Schedule "C" being used for the calculation of rent for the STRATA LOT at the time of such assignment.

- (e) where the LESSEE is paying to the LESSOR rent calculated in accordance with the formula described in section 1 of Schedule "C" and subsequently becomes ineligible for financial assistance under the provisions of the Department of Housing Act aforesaid, then during the residue unexpired of the TERM as and from the date of ineligibility for a loan by way of leasehold mortgage, such assignee shall pay to the LESSOR rent determined and payable in accordance with the formula described in section 2 of Schedule "C";
- (f) no assignment of the STRATA LOT shall be made to any person, persons or corporation on or before 31 March, 1977, other than those persons who satisfy the requirements set forth in Schedule D;
- (g) where an assignment of the STRATA LOT is made by the LESSEE, the LESSEE shall deliver to the assignee the Leasehold Certificate of Title thereto unless the Leasehold Certificate of Title is deposited in the Vancouver Land Registry Office;
- (h) if requested by the LESSOR, a copy of any or all assignments, transfers and sales agreements shall be furnished to the LESSOR by the LESSEE within thirty (30) days of the conclusion of each transaction together with:-
 - (i) evidence satisfactory to the LESSOR that the assignees have satisfied the requirements of Schedule "D" in accordance with section 15.02 (f);
 - (ii) evidence satisfactory to the LESSOR that the assignees will receive financial assistance as required by section 15.02 (b), and
 - (iii) particulars of registration of the assignments in the Vancouver Land Registry Office.

ARTICLE XVIMORTGAGE

Section 16.01 LESSEE shall be liable for rent and taxes notwithstanding MORTGAGE

Nothing herein contained shall be construed to prevent or prohibit the assignment or subletting by the LESSEE of the STRATA LOT by way of MORTGAGE, provided however that in the event of and notwithstanding any such assignment or subletting the LESSEE shall be and remain liable for the payment of all BASIC RENT, ADDITIONAL RENT and taxes and the performance of all the terms, covenants and conditions of this lease.

Section 16.02 MORTGAGE subject to LESSOR's rights under lease.

Subject to the provisions of section 16.02 every MORTGAGE shall be made expressly subject to the rights of the LESSOR under this lease.

ARTICLE XVIIBANKRUPTCY OF LESSEESection 17.01

The parties agree that:

- (a) if the LESSEE shall make a general assignment for the benefit of creditors; or
- (b) if the LESSEE shall institute proceedings to subject itself to the Winding-Up Act or to be adjudicated bankrupt or insolvent or shall consent to the institution of bankruptcy or insolvency proceedings against the LESSEE or shall file an application or petition or answer or consent, seeking re-organization or re-adjustment of the indebtedness of the LESSEE under the Bankruptcy Act or the Companies' Creditors Arrangement Act or any law of Canada or any province thereof relating to bankruptcy or insolvency or shall consent to the filing of any such application or petition or shall consent to the appointment of a receiver; or
- (c) if a receiver, interim receiver, trustee or liquidator of all or substantially all the property of the LESSEE shall be appointed or applied for by the LESSEE; or
- (d) if a judgment, decree or order shall be entered by a court of competent jurisdiction adjudging the LESSEE a bankrupt or insolvent or subject to the provisions of the Winding-Up Act or Bankruptcy Act or determining that proceedings for re-organization, arrangement, adjustment, composition, liquidation, dissolution or winding-up or any similar relief under the Bankruptcy Act or the Companies' Creditors Arrangement Act or any law of Canada or any province thereof relating to bankruptcy or insolvency have been properly instituted otherwise than by the LESSEE, provided that such judgment, decree or order is not in good faith contested by the LESSEE,

then the liquidator, custodian or trustee shall have the right to hold and retain the STRATA LOT for a period not exceeding three (3) months from the effective date of any such receiving order, assignment, judgment, decree, order or the commencement of dissolution or winding-up, as the case may be, or until the expiration of the TERM, whichever first happens on the same terms and conditions as the LESSEE might have held the STRATA LOT had no such receiving order, assignment, judgment, decree or order been made or dissolution or winding-up commenced and the liquidator, custodian or trustee may either:

- (i) surrender possession at any time and the TERM shall thereupon terminate; or
- (ii) sell, transfer or otherwise dispose of all the interest of the LESSEE in this lease and the STRATA LOT for the remainder of the TERM or any part thereof and all the rights of the LESSEE hereunder to as full an extent as could have been done by the LESSEE had no such receiving order, assignment or dissolution or winding-up commenced;

and the liquidator, custodian or trustee shall have the further right, at any time before surrendering possession, to disclaim the lease, and his entry into possession of the STRATA LOT and its occupation by him while required for the purposes of the performance of his duties in his office shall not be deemed to be evidence of an intention on his part to retain the STRATA LOT, nor affect his right to disclaim or to surrender possession pursuant to the provisions of item (i) of this section 17.01; and if after occupation of the STRATA LOT, he elects to retain it and thereafter assigns the lease, the STRATA LOT and all interests and rights of the LESSEE therein and hereunder to a person approved by the Court as by item (ii) of this section 17.01 provided, the liability of the liquidator, custodian or trustee, as the case may be, and of the estate of the LESSEE and of the LESSEE is limited to the payment of BASIC RENT together

with ADDITIONAL RENT, if any, for the period of time during which the liquidator, custodian or trustee remains in possession of the STRATA LOT for the purposes of the trust estate, together with BASIC RENT for the three (3) months next ensuing after the date of any surrender of possession by such liquidator, custodian or trustee.

Section 17.02

The liquidator, custodian or trustee shall pay to the LESSOR for the period during which the liquidator, custodian or trustee actually occupies the STRATA LOT pursuant to section 17.01 hereof the BASIC RENT together with ADDITIONAL RENT calculated on the basis of this lease and payable in accordance with the terms hereof.

ARTICLE XVIIDEFAULT BY LESSEESection 18.01 Re-entry on certain defaults by LESSEE

The LESSOR and the LESSEE agree that, subject to the provisions of section 18.02, if

- (a) the LESSEE shall default in the payment of BASIC RENT or ADDITIONAL RENT or taxes or any other sums required to be paid to the LESSOR by any provision of this lease, and such default shall continue for thirty (30) days after notice thereof given by the LESSOR to the LESSEE; or
- (b) the LESSEE shall default in performing or observing any of its other covenants or obligations under this lease, or any contingency shall occur which by the terms of this lease constitutes a breach hereof or confers upon the LESSOR the right to re-enter or forfeit or terminate this lease, and the LESSOR shall have given to the LESSEE notice of such default or the happening of such contingency, and at the expiration of sixty (60) days after the giving of such notice the default or contingency shall continue to exist or, in the case of a default or contingency which cannot with due diligence be cured within the period of sixty (60) days aforesaid, the LESSEE fails to proceed promptly after the giving of such notice to cure such default or contingency; or
- (c) this lease shall expire or be forfeited or be terminated by any other provision herein contained,

the LESSOR or the LESSOR's agents or employees authorized by the LESSOR may immediately or at any time thereafter re-enter the STRATA LOT without being liable to any prosecution or damages therefor, and may repossess and enjoy the STRATA LOT and all fixtures and improvements therein or thereon, except fixtures and improvements which are of the nature of usual tenants' fixtures and normally removable by tenants, and which are not part of the BUILDINGS or the SAID LANDS, as

Samuelson, J. (1995). *The Economics of Public Finance*. New York: McGraw-Hill.

- and the MORTGAGEE hereby grants the MORTGAGOR access to the STREET LOT for that purpose. If the default or noncompliance is cured within the period specified, the MORTGAGOR shall be entitled to continue in possession for the balance of the TERM hereunder on the same terms as if no default or noncompliance had occurred. In the event of default or noncompliance, however, a first or subsequent mortgagee having a claim on the MORTGAGE shall be entitled to take possession of the property and the MORTGAGOR shall be deemed to have assigned to the mortgagee all of the MORTGAGOR's interest in the property and the MORTGAGOR shall be deemed to have assigned to the mortgagee all of the MORTGAGOR's interest in the property.

upon the LESSOR's interest in this lease, and more than one of them wishes to cure the default or contingency specified in the notice aforesaid, then the LESSOR hereby agrees to permit curing of the default or contingency specified as aforesaid, and the assumption of the balance of the TERM as aforesaid, by that mortgagee which is willing to cure and assume as aforesaid and whose charge ranks in priority over the charge or charges held by the other mortgagee or mortgagees willing to cure and assume as aforesaid. EXCEPT THAT in the event any MORTGAGEE has commenced a foreclosure action the provisions of Section 1451(b) shall apply.

- (b) In the event the MORTGAGEE commences foreclosure proceedings against the LESSEE, whether or not the LESSEE is in default of his performance of his covenants and agreements herein, and the LESSOR is not a party to the foreclosure proceedings, the LESSOR shall not re-enter, terminate or forfeit this lease after the commencement of foreclosure proceedings on the ground of any default or contingency constituting the LESSOR to re-enter, terminate or forfeit this lease if the MORTGAGEE:
- (i) shall first have given to the LESSOR notice of the foreclosure proceedings;
 - (ii) is actively prosecuting the foreclosure proceedings;
 - (iii) cures the default or contingency within a period of sixty (60) days from the date of receipt of notice from the LESSOR specifying the nature of the default or contingency, or if the default or contingency is other than non-payment of any RENT, PAYMENT or ADDITIONAL RENT or taxes or any other sums required to be paid to the LESSOR by any provision of this lease and if such default or contingency cannot reasonably be cured within such sixty (60) day period, immediately commences to cure the same and to diligently prosecute to conclusion all acts necessary to cure the default or contingency;
 - (iv) maintains and enforces all of the LESSOR's covenants and agreements under this lease and within sixty days diligently prosecutes to a conclusion the foreclosure proceedings commenced by the MORTGAGEE.

In the event that the MORTGAGEE acquires title to the LESSEE's interest in the STRATA LOT pursuant to the foreclosure proceedings, it shall thereupon become subrogated to the rights of the LESSEE under this lease provided it attorns to the LESSOR as tenant and undertakes to be bound by and perform the covenants and agreements of this lease. PROVIDED HOWEVER that in the event the MORTGAGEE consists of more than one mortgagee and more than one of them commences foreclosure proceedings, the right to cure any default or contingency granted by this section 18.02(b) to a foreclosing mortgagee shall be deemed granted to them in the order of priority of the charges held by the foreclosing mortgagees.

- (c) If this lease shall be subject to termination or forfeiture pursuant to Article XVII by reason of the bankruptcy or insolvency of the LESSEE and the MORTGAGEE has filed with the LESSOR notice of MORTGAGE in favour of the MORTGAGEE and specified an address for notice under Article XXVI, the LESSOR shall give to the MORTGAGEE notice of the bankruptcy or insolvency of the LESSEE entitling the LESSOR to terminate or forfeit this lease and stating the LESSOR's intention to take such proceedings and requiring the MORTGAGEE to cure the LESSEE's default and the LESSEE's default shall be deemed to have been sufficiently cured if the MORTGAGEE shall,
- (i) take possession and control of the STRATA LOT or cause a receiver to be appointed under the terms of the MORTGAGEE's charge or by a court of competent jurisdiction, who takes possession and control of the STRATA LOT, and the LESSOR hereby grants the MORTGAGEE or such receiver access to the STRATA LOT for that purpose;
 - (ii) cure every default within a period of sixty (60) days from the date of receipt by the MORTGAGEE of the notice from the LESSOR of the bankruptcy or insolvency of the LESSEE, or if such default or defaults are other than the failure to pay BASIC RENT or ADDITIONAL RENT or taxes or any other sums required to be paid to the LESSOR by any provision of this lease and if such default or defaults

cannot reasonably be cured within such sixty (60) day period, immediately commence to cure the same and to diligently prosecute to conclusion all acts necessary to cure the default or defaults:

- (iii) Attorn as tenant to the LESSOR and undertake to be bound by and to perform the covenants and agreements of this lease.

PROVIDED HOWEVER that in the event the MORTGAGEE consists of more than one mortgagee the right to take possession and control, to cure any default and to assume the lease as aforesaid shall be deemed granted to them in the order of the priority of their respective charges.

- (d) Any re-entry, termination or forfeiture of this lease made in accordance with the provisions of this lease as against the LESSEE shall be valid and effectual against the LESSEE even though made subject to the rights of any MORTGAGEE to cure any default of the LESSEE and to continue as tenant under this lease.
- (e) No entry upon the SAID LANDS or into the BUILDINGS by the MORTGAGEE pursuant to this section 18.07 for the purpose of curing any default or defaults of the LESSEE shall release or impair the continuing obligations of the LESSEE.

Section 18.03 Remedies of LESSOR are cumulative

The remedies of the LESSOR specified in this lease are cumulative and are in addition to any remedies of the LESSOR at law or equity. No remedy shall be deemed to be exclusive, and the LESSOR may from time to time have recourse to one or more or all of the available remedies specified herein or at law or equity. In addition to any other remedies provided in this lease, the LESSOR shall be entitled to restrain by injunction any violation or attempted or threatened violation or attempted or threatened violation by the LESSEE of any of the covenants or agreements hereof.

Section 18.14 Waiver by LESSOR

The failure of the LESSOR to insist upon the strict performance of any covenant or agreement of this lease shall not waive such covenant or agreement, and the waiver by the LESSOR of any breach of any covenant or agreement of this lease shall not waive such covenant or agreement in respect of any other breach. The receipt and acceptance by the LESSOR of rent or other monies and hereunder with knowledge of any breach of any covenant or agreement by the LESSEE shall not waive such breach. No waiver by the LESSOR shall be effective unless made in writing.

ARTICLE XIIARBITRATIONSection 19.41

Save as hereinafter provided, if the LESSOR and the LESSEE do not agree as to any of the matters which, if no agreement is reached upon them are by the provisions hereof to be determined by arbitration, any such disagreement shall be determined by arbitration pursuant to the provisions of the Arbitration Act of British Columbia (R.S.B.C. 1960, Chapter 14, as amended to January 1, 1976). The provisions to be implied in submission in pursuance of section 4 of the said Arbitration Act shall not be applicable to arbitration hereunder. The following provisions shall govern any arbitration hereunder:-

- (a) The reference to arbitration shall be to three arbitrators, one of whom shall be chosen by the LESSOR, one by the LESSEE and the third by the two so chosen and the third arbitrator so chosen shall be the chairman.
- (b) The award may be made by the majority of the arbitrators.
- (c) Save as in this lease otherwise expressly provided, the arbitrators shall make their award in writing either within three (3) months after entering on the reference or after having been called on to act by notice in writing from either party or the submission, whichever is the earlier, or on or before any later date to which the LESSOR and the LESSEE by writing signed by them may from time to time enlarge the time for making the award.
- (d) If the arbitrators have allowed their time or extended time to expire without making an award or if the chairman shall have delivered to both parties hereto a notice in writing stating that the arbitrators cannot agree, either party hereto may apply to the Supreme Court of British Columbia or to a judge thereof to appoint an umpire who shall have the like power to act in the reference and to make an award as if he had been duly appointed by all the parties to the submission and by the consent of all the parties who originally appointed arbitrators hereto.

- (d) The arbitrator shall make his award within one month after the original time appointed for making the award of the arbitrators has expired, or on or before any later day to which the parties by any writing signed by them may from time to time enlarge the time for making the award, or if the parties have not agreed, then within such time as the court or judge appointing such arbitrator may deem proper.
- (e) The provisions of paragraphs (f), (g) and (h) of the Schedule to the Arbitration Act as amended to January 1, 1976, shall be the terms of any submission to arbitration hereunder.
- (g) The arbitrators or any umpire acting under any submission to arbitration herein may state an award as to the whole or part thereof in the form of a special case for the opinion of any court.
- (h) The costs of the reference and award shall be in the discretion of the arbitrators or umpire, who may direct to and by whom and in what manner those costs or any part thereof shall be paid, and may tax or settle the amount of costs to be so paid, or any part thereof, and may award costs to be paid as between solicitor and client.
- (i) If, within a reasonable time, a party who has been notified of any dispute fails to appoint an arbitrator or the two arbitrators appointed by the parties do not agree upon a third arbitrator, then the party or parties not in default may apply to a judge of the Supreme Court of British Columbia for the appointment by such judge of an arbitrator to represent the party or parties in default or a third arbitrator or both of such arbitrators.

The parties agree that with respect to any amendment to the said Arbitration Act which shall be proclaimed after January 1, 1976, which makes provision that there shall be incorporated in any submission any provision not herein contained, then such provision shall not be a part of such submission to arbitration hereunder unless the parties hereto shall in writing expressly agree to the incorporation of such provision herein.

ARTICLE XXCERTAIN COVENANTS AND AGREEMENTS OF LESSEESection 20.01 Conduct on demised premises

The LESSEE covenants and agrees with the LESSOR that it will not carry on nor do, nor allow to be carried on or done upon the SAID LANDS or in the BUILDINGS any work, business or occupation which may be a nuisance or which may be improper, noisy or contrary to any law or to any by-law of the City of Vancouver for the time being in force.

Section 20.02 Provision of additional public vehicular transportation

The LESSEE covenants and agrees with the LESSOR that in the reasonable opinion of the LESSOR the public transit system in the City of Vancouver does not from time to time during the TERM adequately serve those persons who occupy that area (in this section 20.02 referred to as the "Area") of the City of Vancouver bounded on the west by the northerly projection of the easterly boundary of Birch Street, on the south by the northerly boundary of Sixth Avenue, on the east by the northerly projection of the westerly boundary of Ash Street, and on the north by False Creek and, as a result, the LESSOR deems it necessary to provide or cause the provision of additional public vehicular transportation to connect with the then existing transit system in order to more adequately serve such persons, then a fair and equitable portion of any and all costs and expenses incurred by the LESSOR in providing or causing the provision of such additional public vehicular transportation as determined by the City of Vancouver shall be reimbursed to the LESSOR by the LESSEE. It is understood and agreed between the parties that the portion of the costs and expenses of such additional public vehicular transportation assessed against the LESSEE under this section 20.02 shall be no greater than the portion of the costs and expenses therefor assessed against the owners or lessees of other STRATA LOTS in the Area. If the LESSOR and the LESSEE are unable to agree on the portion of such costs and expenses to be assessed against the LESSEE, the LESSEE, through the STRATA CORPORATION, may appeal the matter to the City Council and the decision of the City Council as to the portion of such costs and expenses to be assessed against the LESSEE shall be final and binding upon the parties. If the LESSEE shall, following

the final determination of the LESSEE's portion of the costs and expenses of such additional public vehicular transportation fail to reimburse or pay to the LESSOR the LESSEE's portion of such costs and expenses within thirty (30) days after receipt from the LESSOR of a written account therefor, then the LESSEE's portion of such costs and expenses may be collected by the LESSOR as BASIC RENT with all rights of distress and otherwise as reserved to the LESSOR in respect of rent in arrears.

ARTICLE XXV

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STANDARD OF LEASESection 21.01

At the end of the TERM, either by forfeiture, default or lapse of time, unless this lease is renewed as provided in Article XXIV, the LESSEE shall surrender the STRATA LOT to the LESSOR in the condition in which it was required to be kept by the LESSEE under the provisions of this lease, except as herein otherwise expressly provided.

ARTICLE XXIIQUIET ENJOYMENT AND OWNERSHIP
OF THE BUILDINGSSection 22.01 Covenant for Quiet Enjoyment

If the LESSEE pays the rent hereby reserved and the other charges, and performs the covenants hereinbefore on the LESSEE's part contained, the LESSEE shall and may peaceably enjoy and possess the STRATA LOT for the TERM, without any interruption or disturbance whatsoever from the LESSOR or any other person, firm or corporation lawfully claiming title or under the LESSOR, provided however that nothing in this section 22.01 shall limit the right of inspection conferred upon the LESSOR by section 11.01 or the right of the LESSOR to show the SAID LANDS and the BUILDINGS and to post notice, pursuant to section 11.01.

Section 22.02 Removal of Tenants' Fixtures

At the expiry or earlier termination of the TERM or any renewal of it, the LESSEE may remove its fixtures and the fixtures of its subtenants and licensees and any persons claiming through or under them. Nothing herein shall prevent the LESSEE from conferring on tenants or occupants of the BUILDINGS the right of property in, or the right to remove, fixtures or improvements which are of the nature of usual tenants' fixtures and normally removable by tenants, and which are not part of the BUILDINGS or the SAID LANDS. The LESSEE shall make good and shall cause such subtenants, licensees and other persons to make good any damage to the BUILDINGS caused by any removal of tenants' fixtures.

Section 22.03 Covenant respecting charges and encumbrances

The LESSOR covenants with the LESSEE that the LESSOR has a good and marketable title in fee simple to the SAID LANDS and that the LESSOR has not at any time heretofore made, done, committed, executed or wilfully or knowingly suffered any act, deed, matter or thing whatsoever whereby or by means whereof the SAID LANDS or any part thereof are charged or encumbered in title or estate other than the subsisting exceptions and reservations contained in the original grant of the SAID LANDS from the Crown.

Section 22.04 Covenant respecting authority to lease

The LESSOR covenants with the LESSEE that it now has in itself good right, full power and absolute authority to lease the SAID LANDS to the LESSEE in the manner and according to the true intent of this lease.

ART. CXXVIIIOVERHOLDINGSECTION 23.1

The LESSEE covenants and agrees with the LESSOR that if the LESSEE shall hold over and the LESSOR shall accept rent after the expiration of the TERM, unless this lease is renewed as provided in Article XXIV, the new tenancy thereby created shall be a tenancy from month to month at the monthly rent paid by the LESSEE in respect of the last month of the TERM, and not a tenancy from year to year and shall be subject to the covenants and conditions herein contained so far as the same are applicable to a tenancy from month to month.

ARTICLE XXIVRENEWAL OF LEASESection 24.01 Renewal Lease

- (a) Unless this lease is terminated by forfeiture or default the LESSOR shall give to the LESSEE notice of its intention to terminate or to renew this lease or any subsequent renewal thereof, at least one (1) year prior to the termination of this lease or any subsequent renewal thereof.
- (b) Where, at the termination hereof, the LESSOR renews this lease, this lease shall be renewed for a term of not less than five (5) years, and any subsequent renewals shall be for a term of not less than five (5) years.
- (c) Where the LESSOR fails to give the notice required under section 24.01 (a) or fails to purchase the LESSEE's interest in the STRATA LOT under Article XXV, this lease shall be deemed to be renewed for a term of five (5) years.
- (d) Where the LESSOR gives notice of its intention to renew this lease or any subsequent renewal thereof or fails to give the notice required under section 24.01(a) or fails to purchase the LESSEE's interest in the STRATA LOT under Article XXV, the LESSOR shall execute and deliver to the LESSEE two copies of a renewal of this lease for a further term of not less than five (5) years from the expiration of this lease or any subsequent renewal thereof subject to the covenants, provisions and agreements as are herein contained, mutatis mutandis, and at a rent determined as follows, that is to say,

the rent payable by the LESSEE during each renewal term shall be such annual sum as may be agreed upon in writing by and between the LESSOR and the LESSEE, provided however that if the LESSOR and the LESSEE do not agree in writing upon the rent for any renewal term at least six (6) months prior to the termination of this lease or the renewal term immediately preceding the renewal term the rent for

which has yet to be determined, the rent for such renewal term shall be the market rental value of that part of the SAID LANDS comprised in the STRATA LOT and in its share of the COMMON PROPERTY as the date which shall be six (6) months prior to the end of the TERM or the renewal term immediately preceding the renewal term the rent for which has yet to be determined and such market rental value shall be determined by arbitration. The arbitrators shall within the said six (6) month period appraise and determine the market rental value of that part of the SAID LANDS comprised in the STRATA LOT and in its share of the COMMON PROPERTY and if the arbitrators shall not have determined such market rental value within the said six (6) month period, the LESSOR shall pay to the LESSEE during the renewal term rent as provided in section 24.01(d)(ii). The LESSEE covenants and agrees to pay the annual rent as so calculated for each renewal term in twelve (12) monthly instalments in advance, on the first day of each month in each year during each renewal term, PROVIDED HOWEVER that should the date upon and from which such rent first begins to accrue be a date other than the first day of a month, such rent shall be apportioned accordingly as to the first and last months of the renewal term. In determining the market rental value of that part of the SAID LANDS comprised in the STRATA LOT and in its share of the COMMON PROPERTY pursuant to this Article XXIV, the arbitrators shall exclude from such determination the value of the BUILDINGS and all other structures and improvements in and upon such parts of the SAID LANDS (as if the same were unimproved) and shall determine such market rental value on the basis that such parts of the SAID LANDS may only be used for the purposes set forth in this lease.

(ii) If the annual rent at any time payable under any renewal of this lease is subject to a revision which is dependant upon a determination to be made pursuant to the provisions of this

Section 24.01 Delivery and removal of this body

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ARTICLE XXVRIGHT TO PURCHASESection 25.01

- (a) The LESSEE's interest in the STRATA LOT shall be subject to the right of the LESSOR to purchase that interest at the date of termination or non-renewal of this lease.
- (b) Where the LESSOR exercises its right to purchase under section 25.01(a), the purchase price of the LESSEE's interest in the STRATA LOT shall be its fair market value and, for the purposes of assessing its fair market value, the interest in the STRATA LOT shall be evaluated as if the lease did not terminate and the purchase price shall be arrived at as of the date of termination or non-renewal of this lease.
- (c) If, pursuant to section 7.01, the BUILDINGS are deemed to be destroyed, this lease shall be deemed to have terminated and the LESSOR shall purchase the interest of the LESSEE in the STRATA LOT as provided in section 25.01(b).
- (d) Where the LESSOR exercises its right to purchase under section 25.01(a) or is required to purchase under section 25.01(c) and the LESSOR and the LESSEE cannot agree upon the purchase price of the LESSEE's interest in the STRATA LOT within sixty (60) days (or such extended period as the parties may mutually agree upon) following the termination of this lease or any subsequent renewal thereof, as the case may be, then the purchase price shall be the fair market value of the LESSEE's interest in the STRATA LOT as determined by arbitration and for the purposes of assessing its fair market value, the interest in the STRATA LOT shall be evaluated as if this lease did not terminate and the purchase price shall be arrived at as of the date of termination or non-renewal of this lease.

- (e) Subject to section 24.01(a) the LESSOR may give notice to the LESSEE at any time during the TERM or any renewal thereof of its intention to exercise its right to purchase the interest of the LESSEE in the STRATA LOT at the date of termination or non-renewal of this lease.
- (f) The purchase price of the LESSEE's interest in the STRATA LOT shall be paid less all arrears of BASIC RENT, taxes and ADDITIONAL RENT, if any, not later than thirty (30) days after the purchase price shall have been determined pursuant to this Article XXV.
- (g) All adjustments of interest, rents, taxes, rates and all other matters subject to adjustment as between the LESSOR and the LESSEE under this lease shall be made to the date of payment of the purchase price.
- (h) Where the LESSOR exercises its right to purchase under section 25.01 (a) or is required to purchase under section 25.01 (c) and the purchase price shall have been determined pursuant to this Article XXV, then the LESSOR shall pay the purchase price together with any adjustments all determined as aforesaid to the LESSEE and the LESSEE upon such payment by the LESSOR shall convey to the LESSOR a good safeholding and marketable title to the LESSEE'S interest in the STRATA LOT by good and sufficient deed of conveyance. The LESSOR shall deliver without cost to the LESSOR the said deed of conveyance and all other documents and instruments required in order effectively to convey the LESSEE'S interest in the STRATA LOT to the LESSOR and to effect registration thereof in the Vancouver Land Registry Office so that upon completion of such registration, the LESSOR shall be the registered owner of the LESSEE'S interest in the STRATA LOT free and clear of all and any restrictions, exceptions, reservations or charges.

- (i) In the event that subsequent to the date on which the LESSOR exercises its right to purchase the STRATA LOT as aforesaid, the STRATA LOT or any portion thereof shall be damaged by fire or other casualty any insurance monies or right to insurance monies resulting from loss or damage to the STRATA LOT or any portion thereof purchased by the LESSOR and not applied in accordance with the terms of this lease shall be turned over to the LESSOR upon the completion of the sale.

Notwithstanding anything contained in this lease other than as required by the section 25.01(c) the LESSOR shall not be obligated to purchase the interest of the LESSEE in the STRATA LOT except upon the expiration by effluxion of time of the TERM or any renewal of this lease and until the LESSOR obtains vacant possession of the STRATA LOT.

ARTICLE XXVINOTICESection 26.01

All notices, demands and requests which may or are required to be given pursuant to this lease shall be in writing and shall be sufficiently given if served personally upon the party or an executive officer of the party for whom it is intended or mailed prepaid and registered, in the case of the LESSOR addressed to:

City Clerk
City Hall
453 West 12th Avenue
Vancouver, British Columbia
V5Y 1V4

and in the case of the LESSEE addressed to:

Creek Village Building Co-Operative
Association, 1972 West 4th Avenue,
Vancouver, British Columbia
V6J 1M5

or at such other addresses as the parties may from time to time advise by notice in writing. MORTGAGES hereof shall supply their respective mailing addresses to the LESSOR and the LESSEE. The date of receipt of any such notice, demand or request shall be deemed to be the date of delivery if such notice, demand or request is served personally or if mailed as aforesaid on the second business day next following the date of such mailing, PROVIDED HOWEVER that if mailed, should there be between the time of mailing and the actual receipt of the notice a mail strike, slow-down of postal service or other labour dispute which affects the delivery of such notice, then such notice shall be deemed to be received when actually delivered.

ARTICLE XXVIIMISCELLANEOUSSection 27.01

The LESSOR and the LESSEE agree that at any time and from time to time upon not less than thirty (30) days' prior request by the other party, each will execute, acknowledge and deliver to the other a statement in writing certifying:-

- (a) that this lease is unmodified and in full force and effect or, if there have been modifications, that the same are in full force and effect as modified and identifying the modifications;
- (b) the dates to which the rent and other charges have been paid and the request shall specify the charges in respect of which such information is required; and
- (c) that, so far as the maker of the statement knows, the party who requests the statement is not in default under any provisions of this lease, or, if in default, the particulars thereof.

Section 27.02

Time shall be of the essence of this lease, save as herein otherwise specified.

Section 27.03

This lease may not be modified or amended except by an instrument in writing of equal formality herewith executed by the LESSOR and the LESSEE or by the successors or assigns of the LESSOR and the successors or permitted assigns of the LESSEE.

Section 27.04

The captions and headings throughout this lease are for convenience and reference only and the words and phrases contained therein shall in no way be held or deemed to define, limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of any provision of or the scope or intent of this lease, nor in any way affect this lease.

Section 27.05

Notwithstanding anything contained in this lease, in the event that the STRATA CORPORATION fails to:

- (a) obtain and maintain insurance on the BUILDINGS to the full replacement values as required by section 5.01 hereof; or
- (b) pay premiums on policies of insurance effected by it under section 5.01 hereof; or
- (c) keep in a state of good order and condition in accordance with the provisions of this lease and properly maintain the COMMON PROPERTY or COMMON FACILITIES; or
- (d) comply with notices or orders by any competent public or local authority requiring repairs or work to be done in respect of the land included in the STRATA LOT or the BUILDINGS;

the LESSOR will, so long as the STRATA CORPORATION has the statutory obligation to perform such duties, and so far as the LESSOR legally can but not otherwise, commence any proceedings for the performance of such obligations or the recovery of any costs or expenses incurred by the LESSOR by reason of any default by the STRATA CORPORATION of any of the said obligations against all of the OWNERS of the STRATA LOTS on the SAID LANDS.

Section 27.06

In the event that there shall be a conflict between the duties and obligations of the LESSEE or the STRATA CORPORATION under the terms hereof and the provisions of the STRATA TITLES ACT applicable to leasehold STRATA LOTS, the provisions of the STRATA TITLES ACT shall prevail.

Section 27.07

- (a) The LESSOR covenants and agrees with the LESSEE that the LESSOR will authorize and permit the LESSEE and his invitees, licencees, agents, servants, contractors and subcontractors during the TERM to enter, go, pass and repass upon and along the easement area designated in the easement granted to the LESSOR in accordance with section 30.01 of the GROUND LEASE and in accordance with the terms and conditions of such easement and for the purpose therein set out.

- (b) Upon the LESSOR granting the authority and permission under section 27.07 (a) the LESSEE covenants and agrees to accept such grant and to reimburse or cause the STRATA CORPORATION to reimburse the LESSOR during the TERM for its share of the costs and expenses paid by the LESSOR to the Grantor of the easement or the Grantor's successors or assigns in consideration for the easement within thirty (30) days of the receipt of an account therefor from time to time from the LESSOR or if requested by the LESSOR the LESSEE covenants and agrees to pay or cause the STRATA CORPORATION to pay to the Grantor, its successors or assigns its share of the amounts which the LESSOR is required to pay to the Grantor, its successors or assigns in consideration for the easement within thirty (30) days of the receipt of an account therefor from time to time from the Grantor, its successors or assigns. In apportioning any amount to which the LESSOR is entitled to reimbursement under this section 27.07 (b), such amounts shall be borne by the LESSEE in the proportion that the UNIT ENTITLEMENT of the LESSEE'S STRATA LOT bears to the aggregate UNIT ENTITLEMENT of all of the STRATA LOTS.
- (c) The LESSOR covenants and agrees with the LESSEE that before any amendment or modification is made to the easement granted to the LESSOR in accordance with section 30.01 of the GROUND LEASE the LESSOR will consult with the STRATA CORPORATION in respect to all such amendments or modifications.

Section 27.08

It is further agreed and declared by the LESSOR and the LESSEE that these presents shall extend to, be binding upon and enure to the benefit of the LESSOR and the LESSEE and the heirs, executors, administrators, successors and assigns of the LESSOR and the heirs, executors, administrators, successors and permitted assigns of the LESSEE.

IN WITNESS WHEREOF the LESSOR and the LESSEE have hereunto caused to be affixed their respective seals attested by the signatures of their respective proper officers duly authorized for such purpose.

30075

SCHEDULE "A"

This is the Schedule referred to
in Section 7.01 of the MODEL STRATA LOT LEASE

DAMAGE OR DESTRUCTION

Section 7.01 Rent not to abate

The partial destruction or damage or complete destruction by fire or other casualty of the BUILDINGS shall not terminate this lease or entitle the LESSEE to surrender possession of the STRATA LOT or to demand any abatement or reduction of the BASIC RENT or ADDITIONAL RENT or other charges payable under this lease, any law or statute now or in the future to the contrary notwithstanding.

Section 7.02 LESSEE's obligations when BUILDINGS
damaged or partially destroyed.

The LESSEE covenants and agrees with the LESSOR that in the event of damage to or partial destruction of the BUILDINGS the LESSEE shall or shall cause the STRATA CORPORATION to either (a) replace any part of the BUILDINGS destroyed with a new structure in accordance with any agreement which may be made by the LESSEE with the LESSOR, or (b) repair or replace such damage or destruction in the absence of any such agreement.

Section 7.02 LESSEE's obligations when BUILDINGS
completely or substantially destroyed.

The LESSEE covenants and agrees with the LESSOR that in the event of complete or substantially complete destruction of the BUILDINGS the LESSEE shall or shall cause the STRATA CORPORATION to either (a) reconstruct or replace the BUILDINGS with a new structure or structures in accordance with any agreement which may be made by the LESSEE with the LESSOR, or (b) in the absence of any such agreement, replace the BUILDINGS with a new structure or structures, comparable to the structure or structures being replaced which shall cost not less than approximately the amount of the insurance monies payable and paid by reason of such destruction.

SCHEDULE "A"

2

Section 7.04 Replacement, repair or reconstruction
 under section 7.02 or 7.03 to be carried
 out in compliance with sections 6.02 and 8.01

Any replacement, repair or reconstruction of the
BUILDINGS or any part thereof pursuant to the provisions of
section 7.02 or 7.03 hereof shall be made and done in com-
pliance with the provisions of sections 6.02 and 8.01 hereof.

30075

SCHEDULE "B"

This is the schedule referred to in section
15.02(a) of the MODEL STRATA LOT LEASE.

ASSIGNMENT

THIS INDENTURE made the day of 197

BETWEEN:

(hereinafter called the "Vendor")

OF THE FIRST PART

AND:

(hereinafter called the "Purchaser")

OF THE SECOND PART

AND:

CITY OF VANCOUVER,

(hereinafter called the "City")

OF THE THIRD PART

WHEREAS:

A. By a Ground Lease dated the day of 197
the City, as lessor, demised and leased to the Vendor, as lessee,
those lands in the City of Vancouver, in the Province of British
Columbia, more particularly known and described as

Lot eight (8), False Creek,
Plan 16003

SCHEDULE "B"

2

for a term of sixty (60) years extending from the date thereof up to and including the day of , on the terms and conditions therein contained;

B. The Vendor subdivided the lands hereinbefore described into strata lots by the deposit of a leasehold strata plan in the Vancouver Land Registry Office in accordance with the provisions of the Strata Titles Act, Chapter 89, S.B.C. 1974, and the Land Registry Act, Chapter 208, R.S.B.C. 1960, in respect of the leasehold strata plan;

C. The Vendor has deposited the said leasehold strata plan in the Vancouver Land Registry Office and the Vancouver Land Registrar has issued in the name of the City, the registered owner in fee simple of the said land included in the leasehold strata plan, new certificates of titles to each of the strata lots shown upon the leasehold strata plan;

D. The deposit of the said leasehold strata plan converted the said Ground Lease into individual leases in the name of the Vendor in respect of the interest of the City in each strata lot including its share in the common property, at the rent premium or other consideration, and subject to the applicable terms and conditions contained in the said Ground Lease and in the model strata lot lease attached thereto and to the provisions of the said Strata Titles Act and the regulations thereto (the Ground Lease and the model strata lot lease being hereinafter referred to collectively as the "lease");

E. The Vendor, at the request of the Purchaser, has agreed to assign to the Purchaser for the sum of \$ the Vendor's interest in the strata lot described in the Schedule "A" hereto (being one of the strata lots created as aforesaid) for all the residue now unexpired of the said term of years subject to the rent hereinafter reserved and to the performance and observance of the covenants on the part of the lessee and the conditions contained in the lease so far as the same relate to the strata lot hereby assigned;

NOW THIS INDENTURE WITNESSETH as follows:-

1. In consideration of the sum of \$ paid by the Purchaser to the Vendor (the receipt whereof is hereby by the Vendor acknowledged), the Vendor as beneficial owner hereby assigns to the Purchaser the Vendor's interest in the strata lot described in Schedule "A" hereto. TO HOLD unto the Purchaser for all the residue now unexpired of the term of the lease subject henceforth to the payment to the City of the rent hereby reserved in paragraph 2 of this assignment and to the performance and observance of the covenants on the part of the lessee and the conditions contained in the lease so far as the same relate to the strata lot hereby assigned.
2. The Purchaser covenants and agrees with the City that during all the residue now unexpired of the term of the lease, the Purchaser will pay to the City, as lessor, rent determined and payable in accordance with the Schedule "B" hereto.
3. The Purchaser covenants with the Vendor and the City and each of them that the Purchaser shall during all the residue now unexpired of the term of the lease and every renewal thereof, observe and perform the covenants on the part of the Vendor, as lessee, and the conditions contained in the lease as fully and effectually as if the lease contained a separate demise of the strata lot hereby assigned at the rent referred to in paragraph 2.
4. The Purchaser covenants with the Vendor and the City and each of them to indemnify the Vendor and the City and each of them against all actions, suits, costs, expenses, charges, damages, losses, claims and demands for or on account of non-payment of the rent referred to in paragraph 3 and the non-performance or non-observance of the said covenants and conditions contained in the lease so far as the same relate to the strata lot hereby assigned.
5. The Vendor covenants with the Purchaser that the lease so far as it relates to the strata lot hereby assigned is a valid and subsisting lease, that the covenants, provisos and conditions thereof on the part of the Vendor, as lessee, have been duly observed and performed up to the date hereof, that the Vendor

SCHEDULE "B"

4

is entitled to grant this assignment, that subject to the payment of the rent referred to in paragraph 2 and the observance and performance of the covenants and conditions of the lease, the Purchaser may enjoy the strata lot hereby assigned for all the residue now unexpired of the term of the lease and any renewal thereof, without interruption by the Vendor or any person claiming through the Vendor and that the Vendor shall at all times hereafter at the request and cost of the Purchaser, execute such further assurance in respect of this assignment as the assignee may reasonably require.

6. The Purchaser acknowledges to the Vendor and the City that the Purchaser has had the opportunity to read the contents of the lease.

7. Schedules "A" and "B" attached hereto form an integral part of this assignment.

8. It is hereby agreed by the parties hereto that this assignment shall endure to the benefit of and be binding upon the parties hereto, their heirs, executors, administrators, successors and assigns respectively.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals.

The Common Seal of CREEK)
VILLAGE BUILDING CO-OPERATIVE)
ASSOCIATION was hereunto af-)
fixed in the presence of:)

_____)
_____)
_____)

SIGNED, SEALED AND DELIVERED)
in the presence of:)
_____)
_____)
_____)

SEAL

SCHEDULE "C"

This is the Schedule referred to in Sections 15.01 and 15.02 of the MODEL STRATA LOT LEASE

The following formulas shall be used for the determination or calculation of BASIC RENT for the purposes of paragraph (a) (i) of section 15.01 and paragraphs (b), (c), (d) and (e) of section 15.02 of this lease:-

Section 1

- (a) For and during each year of that part of the unexpired residue of the TERM granted by any assignment ending on the day next preceding the fifteenth (15th) anniversary of the SAID DATE the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

Under this section 1(a) the total annual rent for all of the STRATA LOTS shall be not less than Fifty-five thousand six hundred and forty-eight Dollars (\$55,648.00) and the annual rent per square foot of rentable space shall be the same for all of the STRATA LOTS.

- (b) For and during each year of that part of the unexpired residue of the TERM granted by any assignment commencing on the fifteenth (15th) anniversary of the SAID DATE and ending on the day next preceding the thirtieth (30th) anniversary of the SAID DATE, the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

Under this section 1(b) the total annual rent for all of the STRATA LOTS shall be not less than Seventy-nine thousand and seventy-eight Dollars (\$79,078.00) and the annual rent per square foot of rentable space shall be the same for all of the STRATA LOTS.

- (c) The BASIC RENT payable pursuant to this formula shall be paid in twelve (12) equal monthly instalments in advance on the first day of each and every month in each year, PROVIDED HOWEVER that should the date upon and from which such BASIC RENT first begins to accrue be a date other than the first day of a month, such BASIC RENT shall be apportioned accordingly.

Save as aforesaid, if the LESSEE elects to use this formula, the provisions of sections 2.01 (b) and 2.01 (c) shall apply, mutatis mutandis, in respect to the unexpired residue of the TERM granted by any assignment.

Section 2

- (a) For and during each year of that part of the unexpired residue of the TERM granted by any assignment ending on the day next preceding the fifth (5th) anniversary of the SAID DATE the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

Under this section 2(a) the total annual rent for all of the STRATA LOTS shall be not less than Fifty-five thousand six hundred and forty-eight Dollars (\$55,648.00) and the annual rent per square foot of rentable space shall be the same for all of the STRATA LOTS.

- (b) For and during each year of that part of the unexpired residue of the TERM granted by any assignment commencing on the fifth (5th) anniversary of the SAID DATE and ending on the day next preceding the tenth (10th) anniversary of the SAID DATE, the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

Under this section 2(b) the total annual rent for all of the STRATA LOTS shall be not less than Sixty-four thousand four hundred and thirty-four Dollars (\$64,434.00) and the annual rent per square foot of rentable space shall be the same for all of the STRATA LOTS.

- (c) For and during each year of that part of the unexpired residue of the TERM granted by any assignment commencing on the tenth (10th) anniversary of the SAID DATE and ending on the day next preceding the fifteenth (15th) anniversary of the SAID DATE, the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

Under this section 2(c) the total annual rent for all of the STRATA LOTS shall be not less than Seventy-three thousand two hundred and twenty-one Dollars (\$73,221.00) and the annual rent per square foot of rentable space shall be the same for all of the STRATA LOTS.

- (d) For and during each year of that part of the unexpired residue of the TERM granted by any assignment commencing on the fifteenth (15th) anniversary of the SAID DATE and ending on the day next preceding the thirtieth (30th)

SCHEDULE "C"

3

anniversary of the SAID DATE, the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

Under this section 2(d) the total annual rent for all of the STRATA LOTS shall be not less than Seventy-nine thousand and seventy-eight Dollars (\$79,078.00) and the annual rent per square foot of rentable space shall be the same for all of the STRATA LOTS.

- (e) The BASIC RENT payable pursuant to this formula shall be paid in twelve (12) equal monthly instalments in advance on the first day of each and every month in each year, PROVIDED HOWEVER that should the date upon and from which such BASIC RENT first begins to accrue be a date other than the first day of a month, such BASIC RENT shall be apportioned accordingly.

Save as aforesaid, if the LESSEE elects to use this formula, the provisions of sections 2.01 (b) and 2.01 (c) shall apply, mutatis mutandis, in respect to the unexpired residue of the TERM granted by any assignment.

Section 3

- (a) For and during each year of that part of the unexpired residue of the TERM granted by any assignment ending on the day next preceding the fifth (5th) anniversary of the SAID DATE, the annual sums set forth opposite the hereinafter designated STRATA LOTS:

Under this section 3(a) the total annual rent for all of the STRATA LOTS shall be not less than Seventy thousand two hundred and ninety-two Dollars (\$70,292.00) and the annual rent per square foot of rentable space shall be the same for all of the STRATA LOTS.

- (b) For and during each year of that part of the unexpired residue of the TERM granted by any assignment commencing on the fifth (5th) anniversary of the SAID DATE and ending on the day next preceding the fifteenth (15th) anniversary of the SAID DATE, the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

Under this section 3(b) the total annual rent for all of the STRATA LOTS shall be not less than Seventy-six thousand one hundred and fifty Dollars (\$76,150.00) and the annual rent per square foot of rentable space shall be the same for all of the STRATA LOTS.

- (c) For and during each year of that part of the unexpired residue of the TERM granted by any assignment commencing on the fifteenth (15th) anniversary of the SAID DATE and continuing for and during the thirteenth (13th) anniversary of the SAID DATE, the annual sum set forth opposite the hereinafter designated STRATA LOTS:-

Under this section 1.3 the total annual sum for all of the STRATA LOTS shall be not less than Seventy-nine thousand and seventy-eight Dollars (\$79,078.00) and the annual rent per square foot of rentable space shall be the same for all of the STRATA LOTS.

- (d) The BASIC RENT payable pursuant to this formula shall be paid in twelve (12) equal monthly installments in advance on the first day of each and every month in each year, PROVIDED HOWEVER that should the date upon and from which such BASIC RENT first begins to accrue be a date other than the first day of a month, such BASIC RENT shall be apportioned accordingly.

Save as aforesaid, if the LESSOR elects to use this formula, the provisions of sections 2.01 (b) and 2.01 (c) shall apply, mutatis mutandis, in respect to the unexpired residue of the TERM granted by any assignment.

This is the Schedule referred to in Paragraph (a) (i) of Section 15.01 and Paragraph (c) of Section 15.02 of the MODEL STRATA LOT LEASE

The persons to whom subleases and assignments of STRATA LOTS are restricted for the purposes of paragraph (a) (i) of section 15.01 and paragraph (c) of section 15.02 shall be determined in accordance with the provisions of this Schedule.

- (a) Subleases and assignments of STRATA LOTS are restricted to persons whose average gross household income as determined by their rate of earnings in June, 1975 does not exceed \$17,000.00 per annum.
- (b) Seventy-five per cent (75%) of the STRATA LOTS shall be sublet, assigned, transferred or sold to families with at least one dependent child under the age of 18 years and twenty-five per cent (25%) of the STRATA LOTS shall be sublet or assigned to couples or single adult persons or families whose children are over the age of 18 years; PROVIDED HOWEVER that the LESSOR may increase or decrease the aforesaid percentages if in its opinion it is reasonable to do so.
- (c) Seventy-five per cent (75%) of the assignees of the STRATA LOTS must be eligible for financial assistance under the provisions of the Department of Housing Act, S.B.C. 1973, Chapter 110 and amendments thereto.

For the purposes of this Schedule, the following terms shall have the meanings hereinafter set forth:-

"couples" means two adult persons who may or may not be related by blood or marriage living together.

"family" means any one of the following groups of persons living as a household:-

- (a) a man and his wife living together, and one or more children of either or both of them;
- (b) a man not having a wife or not living together with his wife, and one or more children of his;
- (c) a woman not having a husband, or not living together with her husband, and one or more children of hers;
- (d) a woman and a man who are not related by marriage living together and one or more dependent children of either or both of them.

SCHEDULE "D"

-2-

"gross household income" means the total income of the sublessee or assignee of a STRATA LOT and his or her spouse (if any) if such spouse is living with the sublessee or assignee.

"income" means the income of the sublessee or assignee of a STRATA LOT and his or her spouse (if any) if such spouse is living with the sublessee or assignee for the taxation year 1975 determined in accordance with the rules prescribed under the provisions of the Income Tax Act of Canada.

"spouse" includes a man and woman who are not related by marriage living together.

SCHEDULE "E"

This is the Schedule referred to in Paragraph (a) of
Section 2.01 of the MODEL STRATA LOT LEASE

The BASIC RENT payable and to be paid by the original
LESSEE for each of STRATA LOTS numbered
pursuant to paragraph (a) of section 2.01 of this lease is as
follows:-

- (a) For and during each year of the TERM commencing on the
date of the deposit of the LEASEHOLD STRATA PLAN in the
Vancouver Land Registry Office and ending on the day
next preceding the fifteenth (15th) anniversary of the
SAID DATE, the annual sums set forth opposite the here-
inafter designated STRATA LOTS:-

Under this paragraph (a) the total annual rent
for all of the STRATA LOTS shall be not less
than Fifty-five thousand six hundred and forty-
eight Dollars (\$55,648.00) and the annual rent
per square foot of rentable space shall be
the same for all of the STRATA LOTS.

- (b) For and during each year of the fifteen year period of
the TERM commencing on the fifteenth (15th) anniversary
of the SAID DATE and ending on the day next preceding
the thirtieth (30th) anniversary of the SAID DATE, the
annual sums set forth opposite the hereinafter designated
STRATA LOTS:-

Under this paragraph (b) the total annual rent
for all of the STRATA LOTS shall be not less
than Seventy-nine thousand and seventy-eight
Dollars (\$79,078.00) and the annual rent
per square foot of rentable space shall be
the same for all of the STRATA LOTS.

- (c) The BASIC RENT payable pursuant to this Schedule "E"
shall be paid in twelve (12) equal monthly instalments
in advance on the first day of each and every month in
each year, PROVIDED HOWEVER that should the date upon
and from which such BASIC RENT first begins to accrue
be a date other than the first day of a month, such
BASIC RENT shall be apportioned accordingly.

Save as aforesaid the provisions of sections 2.01(b)
and 2.01(c) shall apply, mutatis mutandis, in respect to the
TERM.

SCHEDULE "B"

This is the Schedule referred to in
Paragraphs (a) and (b) of Section 10.01 of this Lease

Easement Over
Lot Seven (7), False Creek, Plan 16003

THIS AGREEMENT made the day of 1976,

BETWEEN:

FRANK STANZEL CONSTRUCTION LTD.
a company incorporated under the
laws of the Province of British
Columbia and having an office at
6625 Fraser Street, in the City
of Vancouver, Province of British
Columbia,
Certificate of Incorporation No. 44348

(hereinafter called "the Company")

AND:

CITY OF VANCOUVER
453 West 12th Avenue,
in the City of Vancouver,
Province of British Columbia

(hereinafter called "the City")

AND:

CITY OF VANCOUVER
453 West 12th Avenue,
in the City of Vancouver,
Province of British Columbia

(hereinafter called "the Grantee")

WHEREAS:-

- A. The Company is the lessee of those lands and premises lying and being in the City of Vancouver in the Province of British Columbia more particularly known and described as Lot seven (7), False Creek, Plan 16003 (hereinafter referred to as "Lot seven (7)") under and by virtue of a lease (hereinafter referred to as "the Ground Lease") dated the day of , 197 and made between the City as lessor and the Company as lessee;
- B. The City is the owner of Lot seven (7);
- C. The Grantee is the owner of those lands and premises lying and being in the City of Vancouver in the Province of British Columbia more particularly known and described

as Lot eight (8), False Creek, Plan 16003 (hereinafter referred to as "Lot eight (8)");

- D. An underground parking garage (hereinafter referred to as "the Parking Facility") has been constructed on parts of Lot seven (7) and Lot eight (8);
- E. The only means of access to and egress from the part of the Parking Facility situated on Lot eight (8) is through the part of the Parking Facility situated on said Lot seven (7);

NOW THEREFORE for certain good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, by the parties hereto and in consideration of the premises it is hereby agreed as follows:-

- 1. The Company, as the lessee of Lot seven (7) under and by virtue of the Ground Lease and the City as the owner of Lot seven (7) hereby grant and convey to the Grantee the full, free and unlimited right, liberty and easement for the Grantee and the lessees and sublessees and any others from time to time leasing premises in Lot eight (8) or any part or parts thereof and its and their respective invitees, licencees, agents, servants, contractors and subcontractors at their will and pleasure at all times by day and by night with or without vehicles in common with the Company and its invitees and licencees, and the invitees, licencees, agents, servants, contractors and subcontractors of them or any of them, to enter, go, pass and repass upon and along that part of the Parking Facility situated on Lot seven (7) shown outlined in red upon the plan attached hereto (hereinafter referred to as "the easement area") [being the minimal area situate on Lot seven (7) required for reasonable access to and egress from that part of the Parking Facility situate on Lot eight (8) with or without vehicles] together with the right, liberty and easement of unobstructed access to and egress from the easement area and to have the easement area remain at all times unoccupied by any building, structure or obstruction of any kind whatsoever which may limit or prevent the use and enjoyment by the Grantee of the right, liberty and easement hereby granted; and for the Grantee, its agents, servants, employees, contractors and subcontractors to enter, go, pass and repass upon and along that part of the premises in Lot seven (7) reasonably required and either with or without supplies, equipment, machinery and vehicles to inspect and, if the Company does not
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Parking Facility on Lot seven (7), to maintain and repair the same but the Grantee shall be under no obligation to do so: provided that the Grantee will carry out such maintenance or repair only after giving to the Company thirty (30) days' written notice of its intention so to do, except in the case of an emergency.

2. The easements and restrictive covenants hereby granted and made shall be annexed and appurtenant to and for the benefit of Lot eight (8);

3. The easements and restrictive covenants hereby granted and made by the Company shall be for the term commencing on the date hereof and ending on the expiry or earlier termination of the Ground Lease or any renewal made or effected pursuant to Article XXIV of the Model Strata Lot Lease attached thereto. The easements and restrictive covenants hereby granted and made by the City shall be from and after the date hereof, forever.

4. The Company covenants and agrees with the Grantee that the Company will not, while at any time otherwise having the right to do so, erect, maintain or place any building, structure or obstruction of any kind whatsoever which shall occupy any portion of the easement area and that in the event of the erection or maintenance or placing of any such building, structure or obstruction as aforesaid, and the neglect of the Company to remove the same within thirty (30) days after receipt of notice in writing from the Grantee requiring such removal, the Grantee shall have the right, liberty and easement to do all things necessary to remove the same; and the Company shall forthwith pay to the Grantee all costs, charges and expenses to which the Grantee may be put by reason of such removal, which costs, charges and expenses shall be and remain at all times charged upon and against Lot seven (7).

5. The Company covenants and agrees with the Grantee that the easements hereby granted as set forth in sections 1 and 4 hereof and the restrictive covenants hereby granted set forth in section 4 shall bind and run with Lot seven (7).

6. In consideration of the rights, liberties and easements granted hereby and on the basis that the Parking Facility shall be used only for the parking of vehicles in connection with residential premises and not commercial premises situate on Lot seven (7) and Lot eight (8) the Grantee shall pay to the Company annually during the term of this agreement save and except as hereinafter provided fifty per cent (50%) of the aggregate of all costs and expenses incurred by the Company in respect of

- (a) maintaining the easement area;
- (b) providing, installing and maintaining all directional and other signs and lane lining on the easement area;
- (c) providing, installing and maintaining lighting for the easement area;
- (d) insurance premiums paid by the Company for public liability and property damage insurance taken out under section 7 (a) as they relate to the easement areas;
- (e) salaries and management fees (if any) paid by the Company and directly connected with the maintenance of the easement area (excluding the salary of any gateman);
- (f) providing, installing and maintaining any automatic entrance and exit gates necessary for the proper operation of the Parking Facility.

Provided however, that if the number of parking spaces in the Parking Facility is reduced for any reason below [total number of parking spaces in the Parking Facility] then the percentage used for determining the annual amount payable by the Grantee to the Company in consideration of the rights, liberties and easements granted hereby shall be adjusted accordingly.

At the end of each calendar year of the term of this agreement the Company shall determine the amount payable by the Grantee in accordance with this section 6 and deliver to the Grantee an account therefor and the Grantee shall pay such account within thirty (30) days of the receipt thereof, provided that in the event of a dispute between the Company and the Grantee as to the amount payable by the Grantee to the Company in respect of any account the Company and the Grantee agree to submit the dispute to arbitration in accordance with the provisions of section 12.

7. The Company covenants and agrees with the Grantee that the Company will during the whole of the term of the easements hereby granted by the Company:-

- (a) take out and keep in force with respect to the part of the Parking Facility situated on Lot seven (7) public liability and property damage insurance naming the Grantee and any lessee of Lot eight (8) from time to time as an insured and with a cross-liability or severability of interest clause with limits from time to time approved by the Company and the Grantee and containing a provision that the policy will not be cancelled or materially altered without fifteen (15) days' prior written notice to the Grantee and any lessee of Lot eight (8) from time to time or if the Company fails to take out and keep in force such insurance the Grantee may do so and the Company and the Grantee covenant and agree that the costs incurred by the Grantee in taking out and keeping in force such insurance shall be borne by the parties in the same proportion as insurance premiums are borne under section 6;
- (b) promptly maintain, repair, replace and renew the part of the Parking Facility on Lot seven (7);
- (c) well and sufficiently light the easement area;
- (d) save harmless and indemnify the Grantee and any lessee of Lot eight (8) from time to time from and against all actions, causes of action, claims, demands, costs, losses, damages and expenses whatsoever (including, without limiting the generality of the foregoing, any award, settlement or judgment made under any statute for the protection of workmen) which may arise or accrue to any person, firm or corporation against or upon the Grantee or which the Grantee may pay, incur, sustain or be put to by reason of any failure of the Company to perform and observe the covenants and conditions herein contained on the part of the Company to be performed and observed or by reason of the Grantee remedying any such failure;
- (e) at the request of the Grantee, deliver any and all accounts for payment of amounts which the Grantee is required to pay to the Company hereunder in consideration for this easement to such person, firm or corporation leasing Lot eight (8) or any part or parts thereof by

virtue of a lease granted by the City as the Grantee may designate from time to time provided that the Grantee shall not be relieved of its obligations under section 6 by reason of the Company delivering such accounts as requested by the Grantee unless such accounts are paid by the person, firm or corporation to whom they are delivered.

8. In the event that the Company shall fail to fulfill the covenants herein contained on the part of the Company to be performed and observed, the Grantee may, but shall be under no obligation to remedy the default; and the Company will forthwith on receipt of any written request from the Grantee, pay to the Grantee the amount of any cost or costs from time to time incurred by the Grantee in so doing.

9. If during the term of this agreement Lot eight (8) or any part or parts of it shall be subdivided or re-subdivided in any manner whatsoever the rights, liberties and easements hereby granted shall be annexed to the interest of the Grantee in each of the new parcels shown on the subdivision plan or plans and shall continue to be annexed to the interest of the Grantee in the remainder of the land subdivided.

10. Save as hereinafter provided, if the parties hereto do not agree as to any of the matters which, if no agreement is reached upon them, are by the provisions hereof to be determined by arbitration, any such disagreement shall be determined by arbitration pursuant to the provisions of the Arbitration Act of British Columbia (R.S.B.C. 1960, Chapter 14) as amended to January 1, 1976. The provisions to be implied in submissions in pursuance of section 4 of the said Arbitration Act shall not be applicable to arbitration hereunder. The following provisions shall govern any arbitration hereunder:-

- (a) The reference to arbitration shall be to three arbitrators, one of whom shall be chosen by the Company, one by the Grantee and the third by the two so chosen, and the third arbitrator so chosen shall be the chairman;
- (b) the award may be made by the majority of the arbitrators;
- (c) the arbitrators shall make their award in writing either within three (3) months after entering on the reference or after having been called on to act by notice in writing

from any party to the submission, whichever is the earlier, or on or before any later date to which the parties hereto by writing signed by each of them may from time to time enlarge the time for making the award;

- (d) if the arbitrators have allowed their time or extended time to expire without making an award or if the chairman shall have delivered to both parties hereto a notice in writing stating that the arbitrators cannot agree, any party hereto may apply to the Supreme Court of British Columbia or to a judge thereof to appoint an umpire who shall have the like power to act in the reference and to make an award as if he had been duly appointed by all the parties to the submission and by the consent of all the parties who originally appointed arbitrators thereto;
- (e) the umpire shall make his award within one month after the original time appointed for making the award of the arbitrators has expired, or on or before any later day to which the parties by any writing signed by them may from time to time enlarge the time for making the award, or if the parties have not agreed, then within such time as the court or judge appointed such arbitrator may deem proper;
- (f) the provisions of paragraph (f), (g) and (h) of the Schedule to the Arbitration Act as amended to January 1, 1976 shall be the terms of any submission to arbitration hereunder;
- (g) the arbitrators or any umpire acting under any submission to arbitration herein may state an award as to the whole or part thereof in the form of a special case for the opinion of any court;
- (h) the costs of the reference and award shall be in the discretion of the arbitrators or umpire, who may direct to and by whom and in what manner those costs or any part thereof shall be paid, and may tax or settle the amount of costs to be so paid, or any part thereof, and may award costs to be paid as between solicitor and client;

- (i) if, within a reasonable time, a party who has been notified of any dispute fails to appoint an arbitrator or the arbitrators appointed by the parties do not agree upon the third arbitrator, then the party or parties not in default may apply to a judge of the Supreme Court of British Columbia for the appointment by such judge of an arbitrator to represent the party or parties in default or a third arbitrator or both of such arbitrators; and if there are more than two parties to the arbitration and, within a reasonable period of time, the parties to the arbitration do not agree upon the appointment of an arbitrator, then any party to the arbitration may apply to a judge of the Supreme Court of British Columbia for the appointment by such judge of an arbitrator.

The parties agree that with respect to any amendment to the said Arbitration Act which shall be proclaimed after January 1, 1976 which makes provision that there shall be incorporated in any submission any provision not herein contained, then such provision shall not be a part of such submission to arbitration hereunder unless the parties hereto shall in writing expressly agree to the incorporation of such provision therein.

11. All notices, demands and requests which may or are required to be given pursuant to this agreement shall be in writing and shall be given if served personally upon the party or an executive officer or director of the party for whom it is intended, or mailed, prepaid and registered, in the case of the Company addressed to:

Frank Stanzl Construction Ltd.
6625 Fraser Street,
Vancouver, British Columbia
V5X 3T6

and in the case of the City addressed to:

City Clerk
City Hall
453 West 12th Avenue
Vancouver, British Columbia
V5Y 1V4

or at such other addresses as the parties may from time to time advise by notice in writing. The date of receipt of any such notice, demand or request shall be deemed to be the date of delivery if such notice, demand or request is served personally or if mailed as aforesaid on the second business day next following the date of such mailing.

12. These presents shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties have hereunto caused to be affixed their respective seals attested by the signatures of their respective proper officers duly authorized for such purpose.

The Common Seal of FRANK)
STANZL CONSTRUCTION LTD.)
was hereunto affixed in)
the presence of:)

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Sealed with the Common)
Seal of the CITY OF)
VANCOUVER and signed by:)
)
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)
_____)
Director of Legal Services

Sealed with the Common)
Seal of the CITY OF)
VANCOUVER and signed by:)
)
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)
_____)
Director of Legal Services

30075

ACKNOWLEDGMENT OF OFFICER OF A CORPORATION

I HEREBY CERTIFY that on the 11th day of May 1976, at the City of Vancouver, in the Province of British Columbia, THOMAS G. ASHBAUGH, personally known to me, appeared before me and acknowledged that he is the President of CREEK VILLAGE BUILDING CO-OPERATIVE ASSOCIATION and that he is the person who subscribed his name to the annexed instrument as President of CREEK VILLAGE BUILDING CO-OPERATIVE ASSOCIATION, and affixed the seal of CREEK VILLAGE BUILDING CO-OPERATIVE ASSOCIATION to the said instrument, that he was first duly authorized to subscribe his name as aforesaid and affix the said seal to the said instrument and that CREEK VILLAGE BUILDING CO-OPERATIVE ASSOCIATION is legally entitled to hold and dispose of land in the Province of British Columbia.

IN TESTIMONY WHEREOF I have hereunto set my hand at the City of Vancouver, in the Province of British Columbia, this 11th day of May, 1976.

[Signature]
Commissioner for taking Affidavits
for the Province of British Columbia

30075

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ACKNOWLEDGMENT OF OFFICER OF A CORPORATION

I HEREBY CERTIFY that on the 13th day of May 1976, at the City of Vancouver, in the Province of British Columbia, C. A. G. C. Fleming, personally known to me, appeared before me and acknowledged that he is the Director of Legal Services of the CITY OF VANCOUVER and that he is the person who subscribed his name to the annexed instrument as Director of Legal Services of the CITY OF VANCOUVER and affixed the seal of the CITY OF VANCOUVER to the said instrument, that he was first duly authorized to subscribe his name as aforesaid and affix the said seal to the said instrument and that the CITY OF VANCOUVER is legally entitled to hold and dispose of land in the Province of British Columbia.

IN TESTIMONY WHEREOF I have hereto set my hand at the City of Vancouver, in the Province of British Columbia, this 13th day of May, 1976.

John A. Cowley
A Commissioner for taking Affidavits
for the Province of British Columbia

DAVIS & COMPANY
BARRISTERS & SOLICITORS

004384

A. T. B. CAMPBELL, O.C.
A. B. FERRIS, O.C.
E. S. THORNE
A. W. SUTHERLAND
W. J. WRIGHT
J. PEARSON
P. W. BOCKWIS
H. T. BAINO
M. R. V. STORROW
R. E. MARIOTT
D. B. O. SWIFT
G. O. BURRYEAT
W. R. COLLISON
R. D. WATTS
N. M. ROBERTSON

A. W. FISHER, O.C.
G. S. D. HOSSIE
G. K. FUJISAWA
D. H. C. PATTERSON
D. M. JOHNSTON
J. D. LAMBERS
P. J. FURLONG
I. G. NATHANSON
P. J. GORDON
D. L. PAGE
R. A. MCLEOD
W. SCHWESLER
D. C. WOBBLEY
R. D. DEBOLT

A. J. F. JOHNSON, O.C.
H. C. MILLHAM
D. R. SHAW
J. R. MACKEY
W. E. TAYLOR
I. C. ROBERTSON
J. M. PELPHE
J. W. D. TOOMILL
M. S. SHANNON
D. W. DONOHUE
C. R. CLARK
J. A. TELLY
F. V. HANANG
M. M. KAREN

14TH FLOOR, THE BURRARD BUILDING
1030 WEST GEORGIA STREET
VANCOUVER, CANADA V6E 3C2

TELEPHONE 687-9444
AREA CODE 604
CABLE ADDRESS "DAMARILL"
TELEX 04-508528

30075

FILE NO. 34730-00 001
REPLY TO Mr. R. E. Marriott

May 31, 1976

Registrar of Titles,
Vancouver Land Registry Office,
777 Hornby,
Vancouver, B.C.

Attention: Mr. Gordon Mann

Dear Sirs:

Re: Creek Village Building Co-operative
Association - application to
register lease accepted for
registration under number D 30075

As solicitors for the above Co-operative
Association, we confirm that the Co-operative Association
was incorporated under the Co-operative Associations Act
of the Province of British Columbia under Certificate of
Incorporation No. 1016 and that the Co-operative Association
remains on the register maintained by the Registrar of
Companies, Victoria, British Columbia, as of this date.

The Gazette reference for the incorporation of
the Co-operative Association is as follows:

B. C. Gazette - February 27, 1976

Page 409

LAND REGISTRY OFFICE
VANCOUVER
RECEIVED
JUN - 2 1976

ANSWERED at

DATE

REM:pk

Yours truly,
DAVIS & COMPANY
Per:



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MODIFICATION OF LEASE

THIS AGREEMENT made as of the 15th day of

1977,

BETWEEN:

CITY OF VANCOUVER

(herein called the "LESSOR")

MEMORANDUM

REGISTRATION

AUG 22 1977

on application received at the time
written or stamped on the application.

D. H. S.

REGISTRAR

OF THE FIRST PART

AND:

CREEK VILLAGE BUILDING CO-OPERATIVE
ASSOCIATION, an Association incorporated
under the Co-Operative Associations Act
of the Province of British Columbia with
an office at 1972 West 4th Avenue, in the
City of Vancouver in the Province of
British Columbia, Certificate of Incorporation No. 1016

(herein called the "LESSEE")

OF THE SECOND PART.

AND:

BANK OF MONTREAL, a body corporate duly
incorporated having its head office in
the City of Montreal, in the Province
of Quebec and authorized to lend money
on the security of real or immovable
property, and having a branch office at 595
Burrard Street, in the City of Vancouver,
in the Province of British Columbia

(herein called the "BANK")

OF THE THIRD PART.

WHEREAS by a Ground Lease (herein called "the GROUND
LEASE") dated the 13th day of May, 1976, and registered in the
Vancouver Land Registry Office under registration number D30075
and made between the LESSOR, as Lessor, and the LESSEE, as
Lessee, the LESSOR did demise and lease unto the LESSEE those
lands and premises lying and being in the City of Vancouver,
in the Province of British Columbia, more particularly known
and described as Lot 8, False Creek, Plan 16003 (herein called
"the SAID LANDS");

AND WHEREAS by a mortgage (herein called "the MORTGAGE")
made the 8th day of October, 1976, and registered in the Vancouver
Land Registry Office under registration number D75243, the LESSEE

I CERTIFY that this document was presented to me or
under my supervision, that it is the original or duplicate
original and that the copy is a true and correct copy of the original.

Amount Paid (\$)

Modification of Lease D30075
100.00
August 10/77
C.R.R.

100.00
August 10/77
C.R.R.

0410 000510 -- 1

City of Vancouver - FOI Request 2019-466, Part 8 of 7 - Page 293

demised and subleased by way of mortgage unto the BANK, as mortgagee, all and singular the LESSEE'S interest in the SAID LANDS together with their appurtenances on the terms and conditions more particularly set forth in the MORTGAGE;

AND WHEREAS attached to the GROUND LEASE as Schedule "A" is a MODEL STRATA LOT LEASE which forms an integral part of the GROUND LEASE;

AND WHEREAS pursuant to Section 28.02 of the GROUND LEASE the LESSOR and the LESSEE have agreed to make the modifications and amendments to the GROUND LEASE and the MODEL STRATA LOT LEASE hereinafter appearing;

NOW THEREFORE and in consideration of the mutual covenants and agreements hereinafter contained and certain good and valuable consideration, the receipt of which is hereby acknowledged by each of the parties hereto:-

1. In this agreement, unless the context otherwise requires or unless otherwise specified herein, the fully capitalized terms which are defined in the GROUND LEASE shall have the meanings specified in Section 1.01 of the GROUND LEASE and the fully capitalized terms which are defined in the MODEL STRATA LOT LEASE shall have the meanings specified in Section 1.01 of the MODEL STRATA LOT LEASE.
2. The LESSOR and the LESSEE hereby covenant and agree each with the other that the GROUND LEASE shall be and the same is hereby amended as follows:-
 - (a) the second recital of the GROUND LEASE shall be and the same is hereby amended by deleting the words and figures "a term of sixty (60) years" from the second line thereof and substituting the words "the TERM (herein defined)" so that the recital shall read as follows:-

"AND WHEREAS the LESSOR has agreed to lease to the LESSEE the SAID LANDS for the TERM (herein defined) in order that the LESSEE may erect the BUILDINGS (herein defined) on the SAID LANDS and convert this lease under Section 53(2) of the STRATA TITLES ACT (herein defined) and use, occupy and enjoy the SAID LANDS and the BUILDINGS erected thereon for the term of this lease, all upon the terms and conditions and subject to the provisos herein contained;"

- (b) the habendum clause of the GROUND LEASE shall be and the same is hereby amended by deleting all of the words and figures of the clause appearing after the word "during" in the first line thereof and substituting the words "the TERM" so that the clause shall read as follows:-

"TO HAVE AND TO HOLD the SAID LANDS for and during the TERM."

- (c) the reddendum clause of the GROUND LEASE shall be and the same is hereby amended by deleting the phrase "in each and every of the years" from the first and second lines thereof so that the clause shall read as follows:-
- "YIELDING AND PAYING to the LESSOR during the TERM rent as hereinafter provided."

- (d) Section 1.01(s) of the GROUND LEASE shall be and the same is hereby deleted and the following substituted:-
- "TERM" means the period of sixty (60) years and one hundred and forty-one (141) days beginning on the DATE FOR COMMENCEMENT OF RENTAL and ending on the 30th day of September, 2036."

- (e) Section 1.01 of the GROUND LEASE shall be and the same is hereby amended by adding the following as section 1.01(v):-

"(v) "SAID DATE" means 1 October, 1976;"

(f) Section 2.01 (a) of the GROUND LEASE shall be and the same is hereby amended by deleting all of the words and figures of the section appearing after the words "ending on" in the second line thereof and substituting the words and figures "31 March, 1977, the sum of One Dollar (\$1.00)" so that the section shall read as follows:-

"for that portion of the TERM commencing on the date hereof and ending on 31 March, 1977, the sum of One Dollar (\$1.00);"

(g) Section 2.01(b) of the GROUND LEASE shall be and the same is hereby deleted and the following substituted:

"(b) for and during each year of the fourteen (14) year six (6) month period of the TERM commencing on 1 April 1977 and ending 30 September 1991 the annual sum of Fifty-eight Thousand, Four Hundred and One Dollars and Six Cents (\$58,401.06), and to pay such BASIC RENT in twelve (12) equal monthly instalments in advance on the first day of each and every month in each year during the said period of the TERM."

(h) Section 2.01(c) of the GROUND LEASE shall be and the same is hereby deleted and the following substituted:

"(c) for and during each year of the fifteen (15) year period of the TERM commencing on 1 October, 1991 and ending on September 30, 2006, the annual sum of Eighty-one Thousand Eight Hundred and Thirty-two Dollars and Four Cents (\$81,832.04), and to pay such BASIC RENT in twelve (12) equal monthly instalments in advance on the first day of each month in each year during the said fifteen (15) year period of the TERM."

(i) Section 2.01(d) of the GROUND LEASE shall be and the same is hereby amended by deleting all of the words and figures of the section appearing after the word "TERM" in the thirty-seventh line thereof.

3. The LESSOR and the LESSEE hereby covenant and agree each with the other that the MODEL STRATA LOT LEASE shall be and the same is hereby amended as follows:-

(a) the habendum clause of the MODEL STRATA LOT LEASE shall be and the same is hereby amended by deleting the words and figures "and from thenceforth next ensuing and fully to be completed and ended on the day immediately preceding the sixtieth (60th) anniversary of the DATE FOR COMMENCEMENT OF RENTAL" from the third, fourth, fifth and sixth lines thereof so that the clause shall read as follows:-

"TO HAVE AND TO HOLD the STRATA LOT for and during the TERM commencing on the date of deposit of the LEASEHOLD STRATA PLAN (here defined) unless this lease shall be renewed under the provisions of Article XXIV."

(b) the reddendum clause of the MODEL STRATA LOT LEASE shall be and the same is hereby amended by deleting the phrase "in each and every of the years" from the first and second lines thereof so that the clause shall read as follows:-

"YIELDING AND PAYING to the LESSOR during the TERM rent as hereinafter provided."

(c) Section 1.01(g) of the MODEL STRATA LOT LEASE shall be and the same is hereby amended by inserting after the word "years" in the sixth line thereof the words and

figures "and one hundred and forty-one (141) days" so that the section shall read as follows:-

" "GROUND LEASE" means that certain indenture of lease dated the 13th day of May 1976 and made between the City of Vancouver, as Lessor, and the Creek Village Building Co-operative Association, as Lessee, wherein the said lessor demised unto the said lessee, for a term of sixty (60) years and one hundred and forty-one (141) days, the SAID LANDS;"

- (d) Section 1.01(l) of the MODEL STRATA LOT LEASE is deleted and the following substituted:-

"(l) SAID DATE means 1 October 1976;"

- (e) Section 1.01(r) of the MODEL STRATA LOT LEASE shall be and the same is hereby amended by deleting the words and figures "and ending on the day immediately preceding the sixtieth (60th) anniversary of the DATE FOR COMMENCEMENT OF RENTAL" from the third, fourth and fifth lines thereof so that the section shall read as follows:-

"TERM" means the unexpired portion of the term of the GROUND LEASE commencing on the date of deposit of the LEASEHOLD STRATA PLAN, save and except as modified by Article XXIV:-"

- (f) Section 2.01(b) of the MODEL STRATA LOT LEASE shall be and the same is hereby amended by deleting all of the words and figures of the section appearing after the word TERM in the forty-first line thereof.

- (g) Section 14.02(b) of the MODEL STRATA LOT LEASE shall be and the same is hereby amended by inserting at the end thereof the following provision:-

"PROVIDED FURTHER that the provisions of this section 14.02 (b) shall not relieve the LESSEE from any actions, causes of action, suits, claims or demands for damages

arising out of the negligent acts of the LESSEE, its servants, agents or contractors."

- (h) Section 15.01(a)(i) of the MODEL STRATA LOT LEASE shall be and the same is hereby amended by deleting the date "31 March 1977" from the second line thereof and substituting "30 September 1977" so that the section shall read as follows:-

"no sublease shall be granted to any person, persons or corporation on or before 30 September 1977, other than the persons who satisfy the requirements set forth in the schedule attached to this lease as Schedule "D" which schedule forms part of this lease;"

- (i) Section 15.02(f) of the MODEL STRATA LOT LEASE shall be and the same is hereby amended by deleting the date "31 March 1977" from the second and third lines thereof and substituting "30 September 1977" so that the section shall read as follows:-

"no assignment of the STRATA LOT shall be made to any person, persons or corporation on or before 30 September 1977, other than those persons who satisfy the requirements set forth in Schedule "D";"

- (j) Schedule "C" to the MODEL STRATA LOT LEASE shall be and the same is hereby amended by deleting the schedule and substituting the Schedule "C" attached to this agreement.
- (k) Schedule "E" to the MODEL STRATA LOT LEASE shall be and the same is hereby amended by deleting the schedule and substituting the Schedule "E" attached to this agreement.
- (l) Schedule "B" to the MODEL STRATA LOT LEASE shall be and the same is hereby amended by deleting the schedule and substituting the Schedule "B" attached to this agreement.

4. The LESSOR and the LESSEE hereby covenant and agree, each with the other, that the GROUND LEASE and the MODEL STRATA LOT LEASE as hereby amended shall continue in full force and effect and shall be binding upon them and that the GROUND LEASE, the MODEL STRATA LOT LEASE and this agreement shall henceforth have effect so far as practicable as if all the provisions of the GROUND LEASE, the MODEL STRATA LOT LEASE and this agreement were contained in the one instrument.
5. The BANK, as mortgagee named in the MORTGAGE, hereby acknowledges and confirms that the mortgage, pledge and charge of the GROUND LEASE created by the MORTGAGE shall be and the same is hereby postponed to and made subordinate to this agreement as if this agreement had been registered against the SAID LANDS prior to the registration of the MORTGAGE, notwithstanding that this agreement may be registered against the SAID LANDS subsequent to the registration of the MORTGAGE.
6. The schedules hereto shall form part of this agreement.
7. This agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall constitute the one and the same instrument; and it shall not be necessary in proving the same to produce more than one such counterpart.

IN WITNESS WHEREOF the parties hereto have caused their common seals to be hereunto affixed in the presence of

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their proper officers hereto subscribing as of the day and year first above written.

SEALED with the Common Seal of)
the CITY OF VANCOUVER and signed)
by:)

[Signature]
Director of Legal Services)

The Common Seal of CREEK VILLAGE)
BUILDING CO-OPERATIVE ASSOCIA-)
TION was hereunto affixed in the)
presence of:)

Harry Lieber, Director

Judith Lynn Director

The Corporate Seal of BANK OF)
MONTREAL was hereunto affixed in)
the presence of:)

IN WITNESS WHEREOF, Bank of Montreal has
caused these presents to be executed by its
 duly authorized attorneys at Vancouver,
British Columbia this 24th day of June A.D., 1977

SIGNED, SEALED AND
DELIVERED in the
presence of:

[Signature]
D.E. WRIGHT
Ste. 3 - 2633 Columbia St. J
Vancouver, B.C.
MORTGAGE DOCUMENTS CLERK

BANK OF MONTREAL
by its attorneys

[Signature]
CREDIT MANAGER

[Signature]
MANAGER, MORTGAGE DEPARTMENT

SCHEDULE "B"

This is the schedule referred to in
section 15.02(a) of the MODEL STRATA LOT LEASE

ASSIGNMENT

THIS INDENTURE made the day of
197 ,
BETWEEN:

(hereinafter called the "Vendor")

AND: OF THE FIRST PART,

(hereinafter called the "Purchaser")

AND: OF THE SECOND PART,

CITY OF VANCOUVER

(hereinafter called the "City")

OF THE THIRD PART.

WHEREAS:

A. By a Ground Lease dated the 13th day of May, 1976, the City, as lessor, demised and leased to Creek Village Building Co-operative Association, as lessee, those lands in the City of Vancouver, in the Province of British Columbia, more particularly known and described as Lot 8, False Creek, Plan 16003 (hereinafter called the "said lands") registered in the Vancouver Land Registry Office under registration number D30075 for a term of sixty (60) years and one hundred and forty-one (141) days ending on 30 September, 2036, on the terms and conditions therein contained and modified and amended by an agreement dated the day of , 1977, and made between the City, as lessor, Creek Village Building Co-operative Association, as lessee, and the Bank of Montreal, as the Bank, and registered in the Vancouver Land Registry Office under registration number , (which Ground Lease and Agreement are hereinafter collectively called "the Ground Lease").

B. Creek Village Building Co-operative Association subdivided the said lands into strata lots by the deposit of a leasehold strata plan in the Vancouver Land Registry Office in accordance with the provisions of the Strata Titles Act, Chapter 89, S.B.C. 1974, and the Land Registry Act, Chapter 208, R.S.B.C. 1960;

C. Creek Village Building Co-operative Association has deposited the said leasehold strata plan in the Vancouver Land Registry Office and the Vancouver Land Registrar has issued in the name of the City, the registered owner in fee simple of the said lands included in the leasehold strata plan, new certificates of title to each of the strata lots shown upon the leasehold strata plan;

D. The deposit of the said leasehold strata plan converted the Ground Lease into individual leases in the name of Creek Village Building Co-operative Association in respect of the interest of the City in each strata lot including its share in the common property, at a rent and subject to the applicable terms and conditions contained in the Ground Lease and in the model strata lot lease attached thereto and to the provisions of the said Strata Titles Act and the regulations thereto (the model strata lot lease being hereinafter referred to as the "lease");

E. The Vendor, at the request of the Purchaser, has agreed to assign to the Purchaser for the sum of \$ _____ the Vendor's Interest in:-

Lot _____, False Creek
Leasehold Strata Plan V _____
together with an interest in the common
property in proportion to the unit
entitlement shown on Form 1 of the
Strata Plan

(hereinafter called the "Strata Lot")

for all the residue now unexpired of the said term subject to the rent hereinafter reserved and to the performance and observance of the covenants on the part of the Lessee and the conditions contained in the lease so far as the same relate to the Strata Lot.

NOW THIS INDENTURE WITNESSETH as follows:

1. In consideration of the sum of \$ _____ paid by the Purchaser to the Vendor (the receipt whereof is hereby by the Vendor acknowledged), the Vendor as beneficial owner hereby assigns to the Purchaser the Vendor's interest in the Strata Lot. TO HOLD unto the Purchaser for all the residue now unexpired of the term of the lease subject henceforth to the performance and observance of the covenants on the part of the Vendor, as lessee, and the conditions contained in the lease so far as the same relate to the Strata Lot SAVE AND EXCEPT THAT:-

(a) instead of the Purchaser paying to the City the rent payable under section 2.01(a) of the lease so far as the same relates to the Strata Lot the Purchaser covenants and agrees to pay to the City during all the residue now unexpired of the term of the lease, the rent set forth in section of schedule "C" to the lease for the Strata Lot, a copy of which schedule is attached hereto for the convenience of and reference by the parties, and

(b) where the Purchaser is paying to the City the rent for the Strata Lot set forth in section 1 of schedule "C" to the lease and subsequently becomes ineligible for financial assistance under the provisions of the Department of Housing Act, S.B.C. 1973, Chapter 110, and amendments thereto, then during the residue unexpired of the term of the lease as and from the date of ineligibility for such assistance, the Purchaser shall pay to the City and the Purchaser covenants and agrees with the City to pay to the City the rent for the Strata Lot determined and payable in accordance with section 2 of schedule "C" to the lease commencing in the period thereof in which the date of ineligibility falls. Notwithstanding that the Purchaser again becomes eligible for financial assistance under the Department of Housing Act aforesaid, the Purchaser shall continue to pay to the City the rent for the Strata Lot set forth in section 2 of schedule "C" to the lease.

2. The Purchaser covenants with the Vendor and the City and each of them that the Purchaser shall, during all the residue now unexpired of the term of the lease and every renewal thereof, observe and perform the covenants on the part of the lessee and the conditions contained in the lease as fully and effectually as if the lease contained a separate demise of the Strata Lot at the rent referred to in paragraph 1.

3. The Purchaser covenants with the Vendor and the City and each of them to indemnify the Vendor and the City and each of them against all actions, suits, costs, expenses, charges, damages, losses, claims and demands for or on account of non-payment of the rent referred to in paragraph 1 and the non-performance or non-observance of the said covenants and conditions so far as the same relate to the Strata Lot.

4. The Vendor covenants with the Purchaser that the lease so far as it relates to the Strata Lot is a valid and subsisting

lease, that the covenants, provisos and conditions thereof on the part of the lessee have been duly observed and performed up to the date hereof, that the Vendor is entitled to grant this assignment, that subject to the payment of the rent referred to in paragraph 1 and the observance and performance of the covenants and conditions of the lease, the Purchaser may enjoy the Strata Lot for all the residue now unexpired of the term of the lease and any renewal thereof, without interruption by the Vendor or any person claiming through the Vendor and that the Vendor and the City shall at all times hereafter at the request and cost of the Purchaser execute such further assurance in respect of this assignment as the assignee may reasonably require.

5. The Purchaser acknowledges to the Vendor and the City that the Purchaser has had the opportunity to read the contents of the Ground Lease including the model strata lot lease attached thereto.

6. It is hereby agreed by the parties hereto that this assignment shall enure to the benefit of and be binding upon the parties hereto, their heirs, executors, administrators, successors and assigns respectively.

IN WITNESS WHEREOF the parties hereto have hereunto executed this Indenture.

The Common Seal of)
)
 was hereunto affixed in the)
 presence of:)
)
)
)
)
)

SIGNED, SEALED and DELIVERED)
 in the presence of:)
)
)
)
)
)

SEALED with the Common Seal)
 of the CITY OF VANCOUVER and)
 signed by)
)
)
)

Director of Legal Services)

SCHEDULE "C"

This is the Schedule referred to in
Section 15.01 and Section 15.02 of
the MODEL STRATA LOT LEASE

The following formulas shall be used for the determination or calculation of BASIC RENT payable by the LESSEE for the purposes of paragraph (a)(ii) of section 15.01 and paragraphs (b), (c), (d) and (e) of section 15.02 of this lease:-

Section 1

(a) For and during each year of that part of the unexpired residue of the TERM granted by any assignment ending on 30 September 1991, the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>
1	\$1049.58	20	\$ 934.29	40	\$ 922.36
2	881.61	21	829.93	41	1347.76
3	1227.50	22	1232.47	42	899.50
4	992.93	23	1062.51	43	1219.55
5	828.93	24	896.52	44	946.22
6	1304.03	25	1061.51	45	833.90
7	1065.49	26	896.52	46	1238.43
8	896.52	27	1035.67	47	969.08
9	1219.55	28	1232.47	48	896.52
10	990.94	29	1179.79	49	1219.55
11	1164.88	30	940.25	50	940.25
12	934.29	31	1219.55	51	1164.88
13	1081.39	32	936.28	52	934.29
14	876.64	33	1061.51	53	1039.64
15	829.93	34	910.43	54	1238.43
16	1232.47	35	832.91	55	969.08
17	1219.55	36	1237.44	56	896.52
18	931.31	37	1219.55		
19	1164.88	38	950.19		
		39	1162.89		

TOTAL \$58,401.06

(b) For and during each year of that part of the unexpired residue of the TERM granted by any assignment commencing on 1 October 1991 and ending on 30 September 2006, the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

SCHEDULE "C"

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<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>
1	\$1470.69	20	\$1309.13	39	\$1629.45
2	1235.32	21	1162.90	40	1292.42
3	1719.98	22	1726.94	41	1888.50
4	1391.30	23	1488.79	42	1260.39
5	1161.51	24	1256.21	43	1708.84
6	1827.22	25	1487.40	44	1325.85
7	1492.97	26	1256.21	45	1168.47
8	1256.21	27	1451.19	46	1735.30
9	1708.84	28	1726.94	47	1357.88
10	1388.52	29	1653.13	48	1256.21
11	1632.24	30	1317.49	49	1708.84
12	1309.13	31	1708.84	50	1317.50
13	1515.25	32	1311.92	51	1632.24
14	1228.36	33	1487.40	52	1309.13
15	1162.90	34	1275.71	53	1456.76
16	1726.94	35	1167.08	54	1735.30
17	1708.84	36	1733.91	55	1357.88
18	1304.96	37	1708.84	56	1256.21
19	1632.24	38	1331.42		
TOTAL					<u>\$81,832.04</u>

(c) The BASIC RENT payable pursuant to this formula shall be paid in twelve (12) equal monthly instalments in advance on the first day of each and every month in each year, PROVIDED HOWEVER that should the date upon and from which such BASIC RENT first begins to accrue be a date other than the first day of a month, such BASIC RENT shall be apportioned accordingly.

Save as aforesaid, if the LESSEE elects to use this section 1, the provisions of sections 2.01(b) and 2.01(c) shall apply, mutatis mutandis, in respect to the unexpired residue of the TERM granted by any assignment.

Section 2

(a) For and during each year of that part of the unexpired residue of the TERM granted by any assignment ending on 30 September 1981, the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

SCHEDULE "C"

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<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>
1	\$1049.58	20	\$ 934.29	39	\$1162.89
2	881.61	21	829.93	40	922.36
3	1227.50	22	1232.47	41	1347.76
4	992.93	23	1062.51	42	899.50
5	828.93	24	896.52	43	1219.55
6	1304.03	25	1061.51	44	946.22
7	1065.49	26	896.52	45	833.90
8	896.52	27	1035.67	46	1238.43
9	1219.55	28	1232.47	47	969.08
10	990.94	29	1179.79	48	896.52
11	1164.88	30	940.25	49	1219.55
12	934.29	31	1219.55	50	940.25
13	1081.39	32	936.28	51	1164.88
14	876.64	33	1061.51	52	934.29
15	829.93	34	910.43	53	1039.64
16	1232.47	35	832.91	54	1238.43
17	1219.55	36	1237.44	55	969.08
18	931.31	37	1219.55	56	896.52
19	1164.88	38	950.19		
TOTAL					<u>\$58,401.06</u>

(b) For and during each year of that part of the unexpired residue of the TERM granted by any assignment commencing on 1 October, 1981 and ending on 30 September, 1986, the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>
1	\$1207.50	20	\$1074.86	39	\$1337.86
2	1014.26	21	954.80	40	1061.14
3	1412.19	22	1417.90	41	1550.55
4	1142.33	23	1222.37	42	1034.84
5	953.65	24	1031.41	43	1403.04
6	1500.23	25	1221.23	44	1088.58
7	1225.80	26	1031.41	45	959.37
8	1031.41	27	1191.50	46	1424.76
9	1403.04	28	1417.90	47	1114.88
10	1140.04	29	1357.30	48	1031.41
11	1340.15	30	1081.72	49	1403.04
12	1074.86	31	1403.04	50	1081.72
13	1244.09	32	1077.15	51	1340.15
14	1008.54	33	1221.23	52	1074.86
15	954.80	34	1047.42	53	1196.07
16	1417.90	35	958.23	54	1424.76
17	1403.04	36	1423.62	55	1114.89
18	1071.43	37	1403.04	56	1031.41
19	1340.15	38	1093.16		
TOTAL					<u>\$67,188.02</u>

SCHEDULE "C"

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- (c) For and during each year of that part of the unexpired residue of the TERM granted by any assignment commencing on 1 October, 1986 and ending on 30 September, 1991, the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

Strata Lot	Annual Rent	Strata Lot	Annual Rent	Strata Lot	Annual Rent
1	\$1365.41	20	\$1215.42	39	\$1512.81
2	1146.89	21	1079.65	40	1199.90
3	1596.85	22	1603.32	41	1753.31
4	1291.71	23	1382.22	42	1170.16
5	1078.36	24	1166.28	43	1586.51
6	1696.41	25	1380.92	44	1230.93
7	1386.09	26	1166.28	45	1084.83
8	1166.28	27	1347.30	46	1611.08
9	1586.51	28	1603.32	47	1260.67
10	1289.12	29	1534.79	48	1166.28
11	1515.39	30	1223.18	49	1586.51
12	1215.42	31	1586.51	50	1223.18
13	1406.78	32	1218.00	51	1515.39
14	1140.42	33	1380.92	52	1215.42
15	1079.65	34	1184.39	53	1352.48
16	1603.32	35	1083.53	54	1611.08
17	1586.51	36	1609.78	55	1260.67
18	1211.54	37	1586.51	56	1166.28
19	1515.39	38	1236.11		
TOTAL					\$75,973.97

- (d) For and during each year of that part of the unexpired residue of the TERM granted by any assignment commencing on 1 October, 1991 and ending on 30 September, 2006, the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

Strata Lot	Annual Rent	Strata Lot	Annual Rent	Strata Lot	Annual Rent
1	\$1470.69	20	\$1309.13	39	\$1629.45
2	1235.32	21	1162.90	40	1292.42
3	1719.98	22	1726.94	41	1888.50
4	1391.30	23	1488.79	42	1260.39
5	1161.51	24	1256.21	43	1708.84
6	1827.22	25	1487.40	44	1325.85
7	1492.97	26	1256.21	45	1168.47
8	1256.21	27	1451.19	46	1735.30
9	1708.84	28	1726.94	47	1357.88
10	1388.52	29	1653.13	48	1256.21
11	1632.24	30	1317.49	49	1708.84
12	1309.13	31	1708.84	50	1317.50
13	1515.25	32	1311.92	51	1632.24
14	1228.36	33	1487.40	52	1309.13
15	1162.90	34	1275.71	53	1456.76
16	1726.94	35	1167.08	54	1735.30
17	1708.84	36	1733.91	55	1357.88
18	1304.96	37	1708.84	56	1256.21
19	1632.24	38	1331.42		
TOTAL					\$81,832.04

SCHEDULE "C"

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(e) The BASIC RENT payable pursuant to this formula shall be paid in twelve (12) equal monthly instalments in advance on the first day of each and every month in each year, PROVIDED HOWEVER that should the date upon and from which such BASIC RENT first begins to accrue be a date other than the first day of a month, such BASIC RENT shall be apportioned accordingly.

Save as aforesaid, if the LESSEE elects to use this Section 2, the provisions of sections 2.01(b) and 2.01(c) shall apply, mutatis mutandis, in respect to the unexpired residue of the TERM granted by any assignment.

Section 3

(a) For and during each year of that part of the unexpired residue of the TERM granted by any assignment ending on 30 September, 1931, the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>
1	\$1312.78	20	\$1168.58	39	\$1454.51
2	1102.69	21	1038.04	40	1153.66
3	1535.31	22	1541.53	41	1685.73
4	1241.92	23	1328.95	42	1125.07
5	1036.80	24	1121.34	43	1525.37
6	1631.03	25	1327.70	44	1183.49
7	1332.67	26	1121.34	45	1043.02
8	1121.34	27	1295.38	46	1548.99
9	1525.37	28	1541.53	47	1212.09
10	1239.44	29	1475.64	48	1121.34
11	1456.99	30	1176.04	49	1525.37
12	1168.58	31	1525.37	50	1176.04
13	1352.57	32	1171.06	51	1456.99
14	1096.47	33	1327.70	52	1168.58
15	1038.04	34	1138.74	53	1300.35
16	1541.53	35	1041.77	54	1548.99
17	1525.37	36	1547.74	55	1212.09
18	1164.35	37	1525.37	56	1121.34
19	1456.99	38	1188.47		
TOTAL					\$ 73,046.05

(b) For and during each year of that part of the unexpired residue of the TERM granted by any assignment commencing on 1 October, 1931, and ending on 30 September, 1931,

SCHEDULE "C"

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the annual sums set forth opposite the hereinafter
designated STRATA LOTS:-

<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>
1	\$1418.05	20	\$1262.28	39	\$1571.13
2	1191.11	21	1121.28	40	1246.16
3	1658.42	22	1665.13	41	1820.90
4	1341.50	23	1435.50	42	1215.28
5	1119.93	24	1211.25	43	1647.67
6	1761.81	25	1434.16	44	1278.39
7	1439.53	26	1211.25	45	1126.65
8	1211.25	27	1399.25	46	1673.19
9	1647.67	28	1665.13	47	1309.28
10	1338.82	29	1593.96	48	1211.25
11	1573.82	30	1270.33	49	1647.67
12	1262.28	31	1647.67	50	1270.33
13	1461.02	32	1264.96	51	1573.82
14	1184.39	33	1434.16	52	1262.28
15	1121.28	34	1230.05	53	1404.62
16	1665.13	35	1125.31	54	1673.19
17	1647.67	36	1671.84	55	1309.26
18	1258.25	37	1647.67	56	1211.25
19	1573.82	38	1283.76		
TOTAL					\$78,903.01

(c) For and during each year of that part of the unexpired
residue of the TERM granted by any assignment commencing
on 1 October, 1991 and ending on 30 September, 2006, the
annual sums set forth opposite the hereinafter designated
STRATA LOTS:-

<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>
1	\$1470.69	20	\$1309.13	39	\$1629.45
2	1235.32	21	1162.90	40	1292.42
3	1719.98	22	1726.94	41	1888.50
4	1391.30	23	1488.79	42	1260.39
5	1161.51	24	1256.21	43	1708.84
6	1827.22	25	1487.40	44	1325.85
7	1492.97	26	1256.21	45	1168.47
8	1256.21	27	1451.19	46	1735.30
9	1708.84	28	1726.94	47	1357.88
10	1388.52	29	1653.13	48	1256.21
11	1632.24	30	1317.49	49	1708.84
12	1309.13	31	1708.84	50	1317.50
13	1515.25	32	1311.92	51	1632.24
14	1228.36	33	1487.40	52	1309.13
15	1162.90	34	1275.71	53	1456.76
16	1726.94	35	1167.08	54	1735.30
17	1708.84	36	1733.91	55	1357.88
18	1304.96	37	1708.84	56	1256.21
19	1632.24	38	1331.42		
TOTAL:					\$81,832.04

SCHEDULE "C"

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(d) The BASIC RENT payable pursuant to this formula shall be paid in twelve (12) equal monthly instalments in advance on the first day of each and every month in each year, PROVIDED HOWEVER that should the date upon and from which such BASIC RENT first begins to accrue be a date other than the first day of a month, such BASIC RENT shall be apportioned accordingly.

Save as aforesaid, if the LESSEE elects to use this Section 3, the provisions of Sections 2.01(b) and 2.01(c) shall apply, mutatis mutandis, in respect to the unexpired residue of the TERM granted by any assignment.

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SCHEDULE "E"

This is the Schedule referred to in Paragraph (a) of
Section 2.01 of the MODEL STRATA LOT LEASE

The BASIC RENT payable and to be paid by the original LESSEE for each of the STRATA LOTS numbered 1 to 56 pursuant to paragraph (a) of section 2.01 of this lease is as follows:-

(a) For and during each year of the TERM commencing on the date of the deposit of the LEASEHOLD STRATA PLAN in the Vancouver Land Registry Office and ending on 30 September, 1991, the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

Strata Lot	Annual Rent	Strata Lot	Annual Rent	Strata Lot	Annual Rent
1	\$1049.58	20	\$ 934.29	39	\$1162.89
2	881.61	21	829.93	40	922.36
3	1227.50	22	1232.47	41	1347.76
4	992.93	23	1062.51	42	899.50
5	828.93	24	896.52	43	1219.55
6	1304.03	25	1061.51	44	946.22
7	1065.49	26	896.52	45	833.90
8	896.52	27	1035.67	46	1238.43
9	1219.55	28	1232.47	47	969.08
10	990.94	29	1179.79	48	896.52
11	1164.88	30	940.25	49	1219.55
12	934.29	31	1219.55	50	940.25
13	1081.39	32	936.28	51	1164.88
14	876.64	33	1061.51	52	934.29
15	829.93	34	910.43	53	1039.64
16	1232.47	35	832.91	54	1238.43
17	1219.55	36	1237.44	55	969.08
18	931.31	37	1219.55	56	896.52
19	1164.88	38	950.19		
TOTAL:					<u>\$58,401.06</u>

(b) For and during each year of the fifteen year period of the TERM commencing on 1 October, 1991 and ending on 30 September, 2006, the annual sums set forth opposite the hereinafter designated STRATA LOTS:-

SCHEDULE "E"

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<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>	<u>Strata</u> <u>Lot</u>	<u>Annual</u> <u>Rent</u>
1	\$1470.69	20	\$1309.13	39	\$1629.45
2	1235.32	21	1162.90	40	1292.42
3	1719.98	22	1726.94	41	1888.50
4	1391.30	23	1488.79	42	1260.39
5	1161.51	24	1256.21	43	1708.84
6	1827.22	25	1487.40	44	1325.85
7	1492.97	26	1256.21	45	1168.47
8	1256.21	27	1451.19	46	1735.30
9	1708.84	28	1726.94	47	1357.88
10	1388.52	29	1653.13	48	1256.21
11	1632.24	30	1317.49	49	1708.84
12	1309.13	31	1708.84	50	1317.50
13	1515.25	32	1311.92	51	1632.24
14	1228.36	33	1487.40	52	1309.13
15	1162.90	34	1275.71	53	1456.76
16	1726.94	35	1167.08	54	1735.30
17	1708.84	36	1733.91	55	1357.88
18	1304.96	37	1708.84	56	1256.21
19	1632.24	38	1331.42		
TOTAL:					<u>\$81,832.04</u>

(c) The BASIC RENT payable pursuant to this Schedule "E" shall be paid in twelve (12) equal monthly instalments in advance on the first day of each and every month in each year, PROVIDED HOWEVER that should the date upon and from which such BASIC RENT first begins to accrue be a date other than the first day of a month, such BASIC RENT shall be apportioned accordingly.

Save as aforesaid the provisions of sections 2.01(b) and 2.01(c) shall apply, mutatis mutandis, in respect to the TERM.

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ACKNOWLEDGMENT OF OFFICER OF A CORPORATION

I HEREBY CERTIFY that on the *4th* day of *August* 1977, at the City of Vancouver, in the Province of British Columbia, Charles S. G. C. Fleming, personally known to me, appeared before me and acknowledged that he is the Director of Legal Services of the CITY OF VANCOUVER and that he is the person who subscribed his name to the annexed instrument as Director of Legal Services of the CITY OF VANCOUVER and affixed the seal of the CITY OF VANCOUVER to the said instrument, that he was first duly authorized to subscribe his name as aforesaid and affix the said seal to the said instrument and that the CITY OF VANCOUVER is legally entitled to hold and dispose of land in the Province of British Columbia.

IN TESTIMONY WHEREOF I have hereunto set my hand at the City of Vancouver, in the Province of British Columbia, this *4th* day of *August* 1977.

John A. Carling
A Commissioner for taking Affidavits
for the Province of British Columbia

STATUTORY DECLARATION OF ATTORNEY

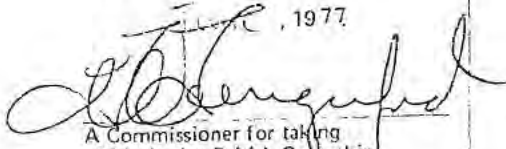
We, **M. BERT MCPHEE** **CREDIT MANAGER** and **GEORGE I.M. PURDIE** **MANAGER, MORTGAGE DEPARTMENT**
of the **CITY** of **VANCOUVER**, in the Province of
British Columbia, do solemnly declare:

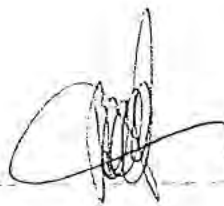

1. That we are the attorneys for Bank of Montreal.
2. That we are the persons who subscribed the name of Bank of Montreal in the annexed instrument as the maker thereof.
3. That at the time of the execution of the said instrument the power of attorney had not been revoked by or on behalf of Bank of Montreal, and we have not received any notice or information of the bankruptcy or dissolution of Bank of Montreal.
4. That we know the contents of the said instrument and subscribed the name of the said Bank of Montreal thereto voluntarily as the free act and deed of the said Bank of Montreal.

And we make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath and by virtue of the Canada Evidence Act.

SEVERALLY DECLARED before
me at the City of Vancouver
in the Province of British Columbia,
this 24th day of

June, 1977


A Commissioner for taking
affidavits for British Columbia,
A Notary Public in and for
the Province of British Columbia.

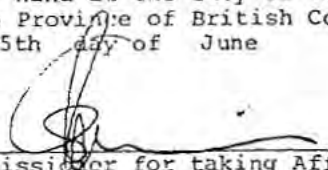



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ACKNOWLEDGMENT OF OFFICER OF A CORPORATION

I HEREBY CERTIFY that on the 15th day of June 1977, at the City of Vancouver, in the Province of British Columbia, ANDREW LUPA personally known to me, appeared before me and acknowledged that he is ~~the~~ a Director of CREEK VILLAGE BUILDING CO-OPERATIVE ASSOCIATION, and that he is the person who subscribed his name to the annexed instrument as a Director of CREEK VILLAGE BUILDING CO-OPERATIVE ASSOCIATION, and affixed the seal of CREEK VILLAGE BUILDING CO-OPERATIVE ASSOCIATION to the said instrument, that he was first duly authorized to subscribe his name as aforesaid and affix the said seal to the said instrument and that CREEK VILLAGE BUILDING CO-OPERATIVE ASSOCIATION is legally entitled to hold and dispose of land in the Province of British Columbia.

IN TESTIMONY WHEREOF I have hereunto set my hand at the City of Vancouver, in the Province of British Columbia, this 15th day of June 1977.


A Commissioner for taking Affidavits
for the Province of British Columbia

