

File No.: 2025-663

January 23, 2026

s.22(1)

Dear s.22(1)

Re: **Request for Access to Records under the Freedom of Information and Protection of Privacy Act (the "Act")**

I am writing regarding your request of September 18, 2025 under the ***Freedom of Information and Protection of Privacy Act*** for:

Record of bids received in response to the "Invitation to Offer" for the sale of 601 Beach Crescent in 2016. Date range: July 1, 2016 to November 1, 2016.

All responsive records are attached.

Under Part 5 of the Act, you may ask the Information & Privacy Commissioner to review any matter related to the City's response to your FOI request by writing to: Office of the Information & Privacy Commissioner, info@oipc.bc.ca or by phoning 250-387-5629.

If you request a review, please provide the Commissioner's office with: 1) the request number (2025-663); 2) a copy of this letter; 3) a copy of your original request; and 4) detailed reasons why you are seeking the review.

Yours truly,

Kevin Tuerlings, FOI Case Manager, for

[Signed by Kevin Tuerlings]

Siân Madsen, MA, MAS
Acting Director, Access to Information & Privacy

If you have any questions, please email us at foi@vancouver.ca and we will respond to you as soon as possible. You may also contact 3-1-1 (604-873-7000) if you require accommodation or do not have access to email.

Encl. (Response Package)

:ma

Westbank Projects Corporation

SECTION 4.0
OFFER/ACCEPTANCE SECTION

4.1 Offer to Purchase

To: CITY OF VANCOUVER

Office of Director of Real Estate Services

I/We now offer to purchase from the City of Vancouver, the Property located at 601 Beach Crescent, Vancouver, B.C., legally described in this Sale Package for the sum of

\$355,776,816.00, as set out in Schedule K to the Sale Contract
(the "Base Purchase Price") on the terms and conditions contained in this Sale Package, including the Sale Contract, all of which will survive the completion of the purchase and sale of the Property noting that the Base Purchase Price is inclusive of the obligation for the Offerer to deliver the required affordable housing as set out in the Sale Package.

I/We now offer to adjust the Base Purchase Price prior to rezoning enactment by adding to it an Adjustment Price, being an amount equivalent to a numerator of \$ N/A, multiplied by each buildable square foot of additional floor space above a base Gross Buildable Area of 186,641, which may be approved in principle by Vancouver City Council should I obtain a rezoning of the Property, which amount will be paid on the terms and conditions contained in this Sale Package, including the Sale Contract, all of which will survive the completion of the purchase and sale of the Property.

My/Our certified cheque or bank draft for \$500,000 is enclosed as the Initial Deposit to be held on account of my/our offer to purchase the Property.

Dated at Vancouver, British Columbia this 15th day of August, 2016.

4.2 Conditions

In accordance with Section 4.2 of the Sale Contract, the Offer is subject to the following conditions precedent (if any) in favour of the Offeror to be removed or waived within ten-ninety calendar days after receipt of this offer signed by the City.

[Note to Offeror: Provide condition description and removal date.]

Condition:

Condition Removal Date:

① Final approval by CMHC and BC Housing of their funding commitments towards the Onsite Non-Market Units and the Offsite Units substantially as described in Schedule K to the Sale Contract, appended hereto.

② The Right of First Refusal and Option Back will be amended by the parties to conform to the terms and form of the

N
Initials of

③ The Seller will grant a priority agreement in respect of the Option Back in favour of the Buyer's lender on the same terms as the priority agreement it granted to the Buyer in respect of the similar Option on the Vancouver House lands

M

4.3 Proposed Variations to Sale Contract

M

in Section 6 of Schedule K, We hereby attach a summary of our proposed variations to the Sale Contract for consideration and further negotiation with the City. Yes No

4.4 Name, Address and Witnessed Signature Under Seal of Offeror

4.4.1 Legal Name and Description of Offeror

The complete name of the Offeror is (complete as applicable):

- (a) An individual named N/A
(b) A partnership named N/A, comprised of the following partners:

[Note to Offeror: Insert full legal names and, if partners are corporations, include incorporation/registration numbers for each corporate partner in the spaces provided above.]

- (c) A company named Westbank Projects Corp, incorporated under the laws of British Columbia under incorporation No. 648950, and, if an extra-provincially incorporated company, registered as an extra-provincial company in British Columbia under registration number N/A.

4.4.2 Address, Contact, Telephone and Fax Number for Offeror

[Note to Offeror: Complete all Blanks as applicable.]

Offeror(S) Address: 501-1067 West Cordova St., Vancouver, BC V6C 1C7
Contact Person (if other than Authorized Signatory): Ian Duke
Telephone/Fax/E-Mail: 604.685.8986 / 604.893.1708 / iduke@westbankcorp.com

4.4.3 Witness/Authorized Signatory Name, Address, and Signature

N

[Note to Offeror: Complete and have signed by Authorized Signatory in presence of Witness.]

Witness to Signature(s):

Authorized Signatory (ies) for Offeror:

Witness:

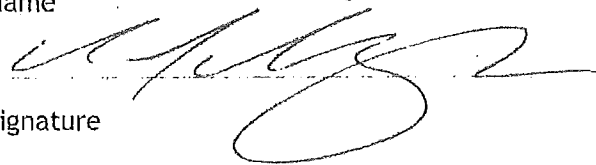
Authorized Signatory(ies):

IAN DUKE

IAN GILLESPIE

Name

Name



Signature

Signature

Ian S. Duke

Barrister & Solicitor
501 - 1067 W. Cordova St.
Vancouver, BC V6C 1G7

Address

501-1067 W. Cordova St., Vancouver, BC

Address

604.685.8986

604.685.8986

Telephone No.

Telephone No.

604.893.1708

604.893.1708

Fax No.

Fax No.

Owner Acceptance

ACCEPTANCE

The Owner now accepts this Offer, subject to approval by Vancouver City Council, on the terms and conditions of this Sale Package, including the Sale Contract and the conditions set out in Section 4 of the Sale Contract, and encloses the Sale Contract, for signature by the Offeror.

Date of Owner's Acceptance: August 15, 2016.

City of Vancouver

by its authorized signatory(ies):




SECTION 5.0 SCHEDULES

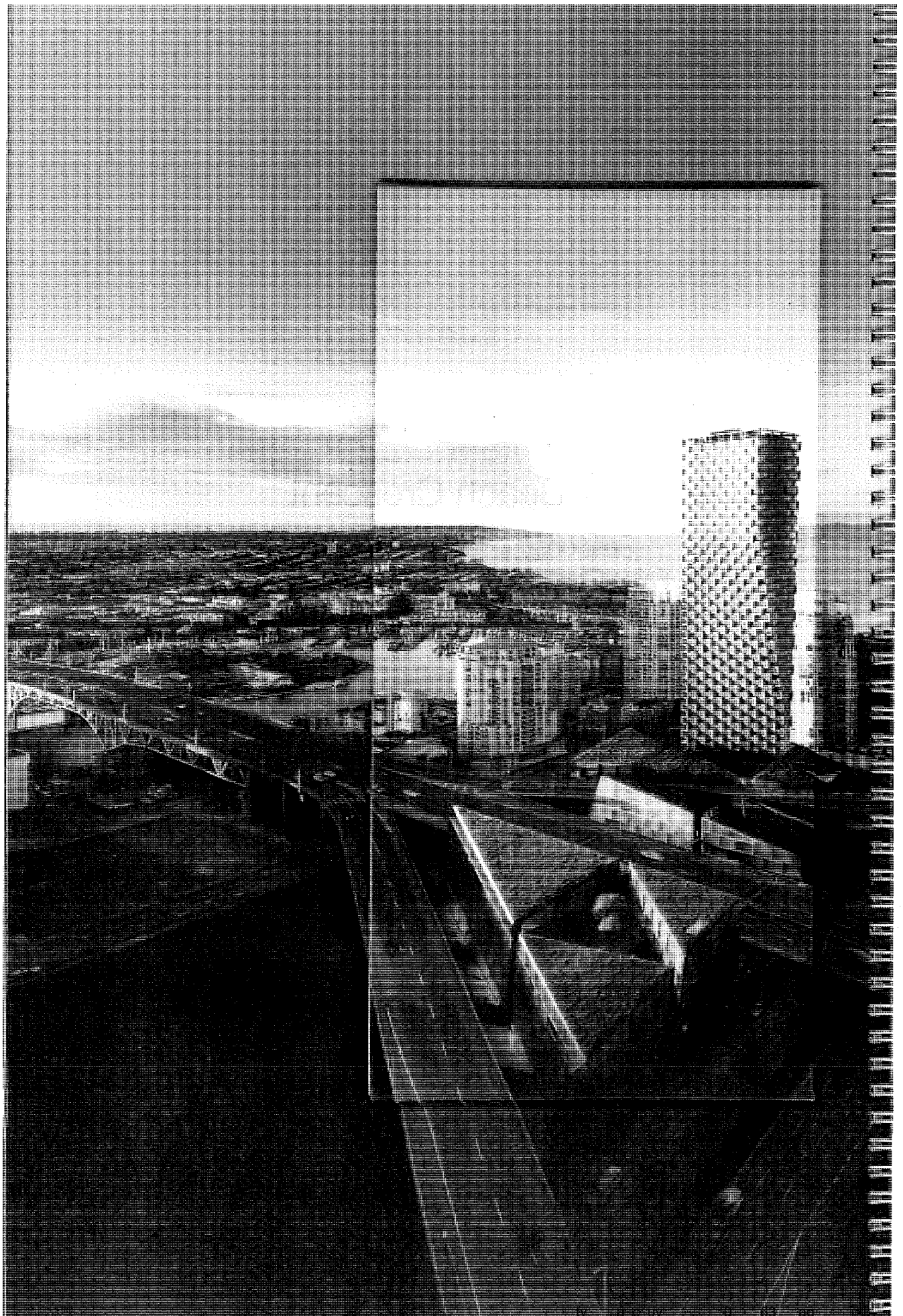
5.1 Legal Effect of Schedules

Except only for the legal description portion of the title search attached as Schedule A, the following Schedules are provided to Offerors for general reference purposes only. Without limiting the general scope and intent of any of the other terms of this Sale Package, the Owner and the City make no representations or warranties concerning the completeness or accuracy of the contents of the following schedules. Offerors must not rely on the contents of the Schedules and must independently satisfy themselves as to all aspects of the Property by acquiring information independent of and entirely separate and apart from the attached schedules and without relying in any way on the attached schedules.

5.2 List of Schedules

The following schedules are attached to this Sale Package and are at all times completely subject to the terms and conditions of Section 5.1:

- Schedule A Copies of Property Titles
- Schedule B Legal Plans
- Schedule C Charge Summary
- Schedule D Summary of Environmental Investigations
- Schedule E BC Assessment Information
- Schedule F City of Vancouver FCN ODP - Excerpts
- Schedule G CD-1 Bylaw and Guidelines
- Schedule H Sale Contract (Schedules A and B to be provided on the FTP site)
- Schedule I Non-Disclosure Agreement *Revised Copy Attached*
- Schedule J Invitation to Offer Process Timeline *~ Revised Copy Attached*
-  Schedule K Response to Invitation to Offer and (in Section 6) Terms of Offer and Proposed Variations to Sale Contract



Vancouver's housing affordability crisis requires action. Westbank's offer leverages 601 Beach Crescent into almost 800,000 sqft of new affordable rental housing through a unique multi-level government partnership with the private sector.

Solving Vancouver's affordability crisis is going to take innovation. Our offer to the City of Vancouver is to construct \$400M worth of affordable housing and public benefits in exchange for the 601 Beach Crescent lands.

This offer fully values the density potential of the site and achieves a number of important city initiatives. Westbank proposes to convert the air space density value of the 601 Beach Crescent lands into:

- 152 affordable housing units located on-site.
- 1,000 affordable housing units located off-site in a unique partnership between BC Housing, CMHC, the City of Vancouver and Westbank. This initiative will represent CMHC's re-entry into the business of delivering affordable housing in Canada, a monumentally important development for the country as a whole and for the City of Vancouver in particular.
- \$8M towards the capital costs of the new Granville Bridge Greenway.
- \$7.5M towards a new Ray-Cam Community Center.
- \$2M towards the low carbon legacy for South Downtown on behalf of 601 Beach Crescent. A low carbon connection to South Downtown will help to achieve LEED Platinum for both 601 Beach Crescent and Vancouver House.
- Space for a new Neighborhood Energy Center which will house a shared cooling plant with waste heat recovery as well as provide space for additional low carbon energy in the future.
- Completing the Granville Street bridgehead to provide a gateway both in and out of Downtown Vancouver.
- Completing a unified retail hub for South Downtown which is imperative to the success and development of the area into a complete neighborhood.

Schedule K to the Sale Package

Table of Contents

Table of Contents

1	Affordable Housing Offering	8
2	Additional Public Benefits Offering	14
3	Completing a Unified Architectural Gateway into Downtown Vancouver	16
4	Helping Vancouver Achieve a Low Carbon Future	24
5	Completing the Retail Amenity Promised to the South Downtown Neighborhood	28
6	Terms of Offer and Proposed Variations to Sale Contract	30
Appendix A		
	Letters of Commitment from our Partners (CMHC and BC Housing)	37
Appendix B		
	Drawings of Potential Off-Site Affordable Housing Projects	39

1

Affordable Housing Offering

Westbank will construct and deliver approximately **1,152 affordable housing units**, meeting defined criteria for both unit mix and size as set out in this offer. **152** of these units will be delivered **on-site within the 601 Beach Crescent development**, provided turnkey to the City of Vancouver as the Community Amenity Contribution for the project.

For the balance of approximately 1,000 affordable housing units, Westbank has put in place the framework for a partnership with CMHC and BC Housing that is exclusive to our offer. The most recent federal budget has provided CMHC with a renewed mandate and funding to directly participate in the creation of new affordable housing in Canada. A \$250M "Innovation Fund" has been established for the purposes of stimulating creative solutions involving the private sector. In addition to the innovative partnership being proposed in this offer for Vancouver, Westbank is also developing another significant initiative with CMHC in Toronto.

The off-site affordable housing units being proposed in this offer will be permitted and constructed by Westbank, at Westbank's risk, and funded jointly by CMHC through its Innovation Fund, BC Housing and Westbank. This is outlined in the pages to follow. We are generally proposing a 1/3 revenue model (1/3 Low End of Market Rate Units, 1/3 HILs Rate Units and 1/3 Shelter Rate Units) for each of the sites.

This innovative initiative creates **synergies by creating a cooperative platform between all levels of government and the private sector**. The initiative has the potential to not only form a model for future affordable housing initiatives but also provide a metric for holistically scoring affordable housing investments.

10 highlights from the first 125 years

WOODWARD'S

Woodward's has been ingrained in the city's consciousness since Charles Woodward first opened his landmark store at Hastings and Abbott in 1903.

Woodward, a born marketer, strung lights across the street to draw attention, hired a four-piece orchestra to play in the store on Saturday nights, and boasted the largest stock in town.

The business thrived for decades — its iconic big "W" neon sign a beacon for shoppers — before falling to bankruptcy in 1993. For years, the building stood abandoned in a neighbourhood plagued by poverty, homelessness and drug addiction.

In 2002, Woodward's once again made headlines as the headquarters for "Woodsquat" — a camp of homeless and marginalized individuals who lived on the sidewalk for a number of weeks. Redevelopment was seen as the key to revitalizing the entire area.

It proved a massive undertaking. Much of the old structure was demolished in 2006. The original four-storey building was spared because of its heritage value.

Many thought it would be a tough sell: High-end condos, some costing more than a million dollars, in the heart of the



Woodward's department store, around the time that it opened in 1903 at the corner of Hastings and Abbott.

Downtown Eastside. But as of 6:30 p.m. on April 24, 2006 — less than 12 hours after sales began — every one of the 536 condo units had been bought.

Construction of the \$330-million mixed-use project — which includes market condos, low-income housing, retail outlets and Simon Fraser University's Centre for the Contemporary Arts — was completed in 2009

with a who's who of politicians turning out to heap praise on its developer, Ian Gillespie of Westbank.

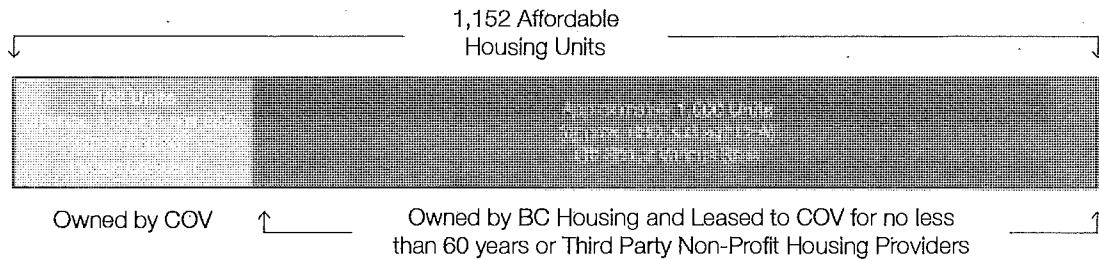
An iconic big "W" can be seen once again from atop the old building — but it's a replica. The original, which had deteriorated beyond repair, remains on display in the inner courtyard.

Darah Hansen, Vancouver Sun



The fundamentals of this transaction are the same that led to the success of Woodward's and we consider this initiative to be the next generation's Woodward's (article above from the Vancouver Sun (2011) on the success of Woodward's). In this case, we are taking the fair market value of the air rights at 601 Beach Crescent and combining this with the funds from CMHC and BC Housing to create 1,152 units of affordable housing for the City of Vancouver.

Target Affordable Housing Unit Mix and Sizes



Of the total proposed 1,152 affordable housing units, 152 units will be on-site at 601 Beach Crescent and approximately **1,000 units will be off-site at various sites**. The 152 units on-site will meet the City of Vancouver's prescribed unit mix as set out in the Invitation to Offer for 601 Beach Crescent. The total net rentable area of the **1,000 off-site units will equal 561,250 sqft**, which has been calculated based on the unit mix and sizes listed to the right. The actual number of units may vary to some degree, depending on the final sites selected and appropriate unit mix for those sites. This is to be determined collectively by all parties, including the City of Vancouver. Regardless of the final unit mix, the total net rentable area will be delivered.

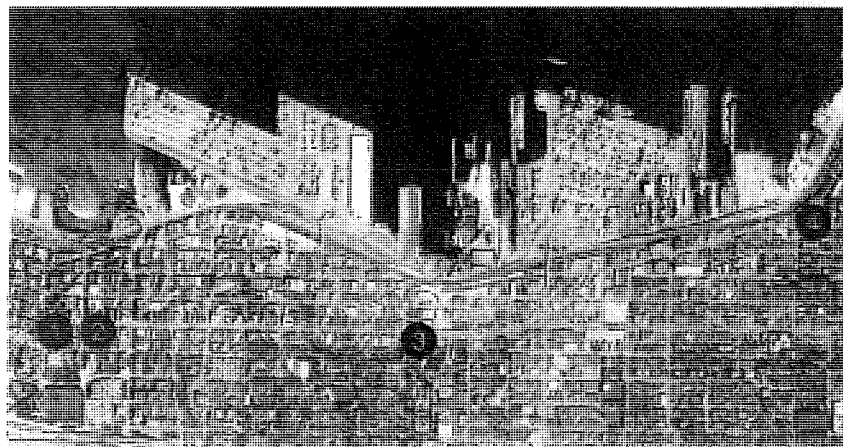
Off-Site Affordable Housing Unit Mix/Sizes

Unit Type	% of Units	Average Net Area
Studio	25%	350 sqft
1 Bedroom	40%	500 sqft
2 Bedroom	25%	725 sqft
3 Bedroom	10%	925 sqft

Potential Off-Site Affordable Housing Sites

BC Housing has identified several candidate sites for our off-site affordable housing offering indicated on the map below. BC Housing has several other sites under consideration and is also prepared to acquire sites to fulfill our requirements of approximately 1,000 affordable housing units. Once selected as the preferred proponent for 601 Beach Crescent, Westbank, BC Housing and the City of Vancouver will refine the list of affordable housing sites. **If the total net rentable area of the agreed affordable housing sites falls short of the target area outlined above, Westbank will pay to the City an amount in lieu of such shortfall based on an assumed value for 601 Beach Crescent at \$400/sqft of market density.**

- ① 20 East Hastings
The Only Site
- ② 62/92 East Hastings
Pigeon Park Site
- ③ 920 East Hastings
Ray-Cam Site
- ④ 2019 Dundas Street
Aboriginal Mother Site



A Holistic Index for Affordable Housing Investments

Through this innovative partnership with CMHC and BC Housing, we would like to propose that this affordable housing initiative serve as the **pilot project** for CMHC and the Provincial/Municipal Governments to **holistically measure affordability**. The reality is that the government only has a certain amount of funding that can be deployed to these types of initiatives and this index will ensure that affordable housing projects result in the highest outcomes per dollar of public investment. This index will allow for the combination of tangible environmental performance markers (i.e. GHG reductions, district energy, passive house technologies, etc.) with less tangible affordability measures (i.e. housing mix, people housed, housing quality, etc.), creating an index of what affordable housing really should be.

The Holistic Index for Affordable Housing could be comprised of the following elements:

PEOPLE HOUSED

An index of the number of people housed weighted by age and socioeconomic groups.

HOUSING AFFORDABILITY

An index measuring the ratio of rent and operating expenses (i.e. energy costs, etc.) to median family incomes.

HOUSING QUALITY

An index measuring the quality of life and intangible housing costs. Key considerations include:

- Quality of Interior Spaces
- Indoor Air Quality
- Walkability and Access to Transit
- Proximity to Green and Open Spaces
- Proximity to Essential Services
- Proximity to Education and Jobs

ENVIRONMENTAL PERFORMANCE

The calculation of housing affordability already reflects market prices for energy and water. The purpose of the environmental performance index is to capture environmental benefits that may not be reflected in market prices. The two most important environmental priorities for the Government of Canada are GHG emissions and water use. This index could directly measure both to ensure additional weight for investments that not only minimize direct costs, based on market prices, but also absolute GHG emissions or water use.

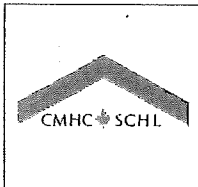
The Partnership for Affordable Housing

ON-SITE FUNDING

CMHC will provide \$15,000/unit in funding for the 152 turnkey affordable housing units to be built at 601 Beach Crescent.

OFF-SITE FUNDING

CMHC will provide a total of approximately \$50,000/unit in funding based on the target unit mix to provide the partnership and the City flexibility in identifying the best affordable housing projects. This \$50,000/unit funding is comprised of 2 components; a \$15,000 grant and a \$35,000 equity investment secured against the unit or building in which it is invested. The equity investment component will be refinanced at the end of the 30th year by BC Housing along with a return on investment calculated as the greater of the % increase in value of the unit/building (as determined by an appraisal) or 1% per annum.



LENDING

CMHC is also developing a new rental housing lending initiative, the details of which are expected to be available September of 2016. CMHC will offer the partnership its most attractive financing terms.

REQUIRED APPROVALS

CMHC's participation in the partnership as described in this offer is subject to Cabinet Approval, which can be obtained in Fall 2016. A letter from CMHC is included in Appendix A of this offer indicating their strong interest and support.

OFF-SITE LAND

BC Housing will provide the land for each off-site affordable housing project at a value of \$95/buildable sqft.

OFF-SITE FUNDING

Inclusive of the value of their land, BC Housing will fund half of the equity required after the deduction of CMHC's contributions.

LENDING

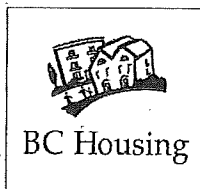
BC Housing will provide construction financing to the partnership unless CMHC's financing terms are more favourable.

OFF-SITE OWNERSHIP AND OPERATIONS

BC housing is prepared to enter into long term leases for the completed buildings with the City of Vancouver for no less than 60 years or with third party non-profit housing providers.

REQUIRED APPROVALS

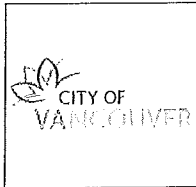
BC Housing's participation in the partnership described in this offer is subject to formal BC Housing Board Approval, which can be obtained in Fall 2016. A letter from BC Housing is included in Appendix A to this offer indicating their strong interest and support.



The Partnership for Affordable Housing

REDEPLOYMENT OF FUNDING

The City can use 601 Beach Crescent as an opportunity to provide approximately 1,152 units of affordable housing both on and off-site by permitting the redeployment of 601 Beach Crescent funds into the creation of \$400M of affordable housing and public benefits.



CITY APPROVALS

Westbank expects the timing of delivery for the off-site affordable housing units to be connected to the completion of the project approved by the City of Vancouver for 601 Beach Crescent. The faster we can get both the 601 Beach Crescent project and the off-site affordable housing projects approved, the faster we can make a meaningful impact on the affordable housing crisis in Vancouver. As a partner in this initiative, we look to the City of Vancouver to support an accelerated Rezoning/Development/Building Permit Process (1 year total length), the details of which will be negotiated with the City once we are selected as the successful proponent. A dedicated staff team is also requested for all of these projects.

FUNDING

Westbank will fund half of the equity required after the deduction of CMHC's contributions.

PROJECT MANAGEMENT

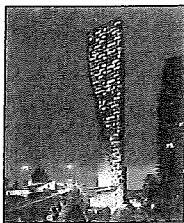
Westbank will manage the design of the projects and obtain all entitlements and approvals.

CONSTRUCTION AND RISK MITIGATION

It is an important factor in valuing our proposal to take into account that **we are taking on 100% of the construction risk** and you have North America's premiere residential developer taking on the development management. Westbank will oversee the construction management of the projects and **assume the risk of cost overruns**.

PROPOSED DEVELOPMENT TEAM

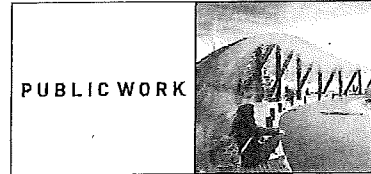
The success of Vancouver House has been a result of the quality of the development team. For the success of 601 Beach Crescent, Westbank proposes the following development team members:



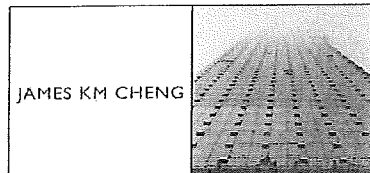
Westbank | Developer



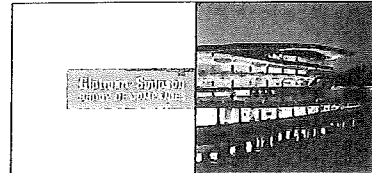
Bjarke Ingels Group | Architecture



Public Work | Landscape Architecture



James KM Cheng | Consulting Architects



Glotman Simpson | Structural Engineers

2

Additional Public Benefits Offering

In addition to the affordable housing offering, Westbank will also deliver to the City of Vancouver the following public benefits to complete the package of consideration for 601 Beach Crescent:

- **Granville Bridge Greenway**

Westbank will provide **\$8M towards** the design and construction of **the Granville Bridge Greenway** as we understand that the Greenway is expected to cost approximately \$20M. This initiative is not only what was promised to the community as part of the gateway into Vancouver, but it is also **tied to the renewal of Granville Island** and should be thought of as the beginning of its re-imagination.

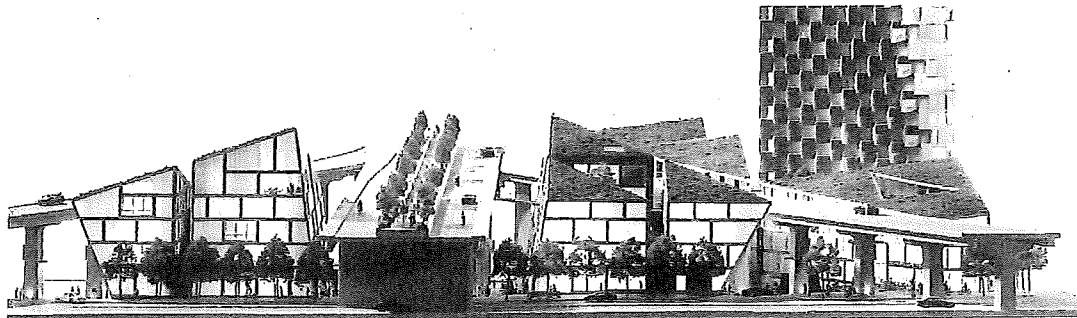
- **Ray-Cam Community Center**

Assuming that one of the potential BC Housing sites selected is the Ray-Cam site, we will provide an additional **\$7.5M towards** the design and construction of **a new community center** to sit at the base of the new affordable housing units.

- **Low Carbon Legacy for South Downtown**

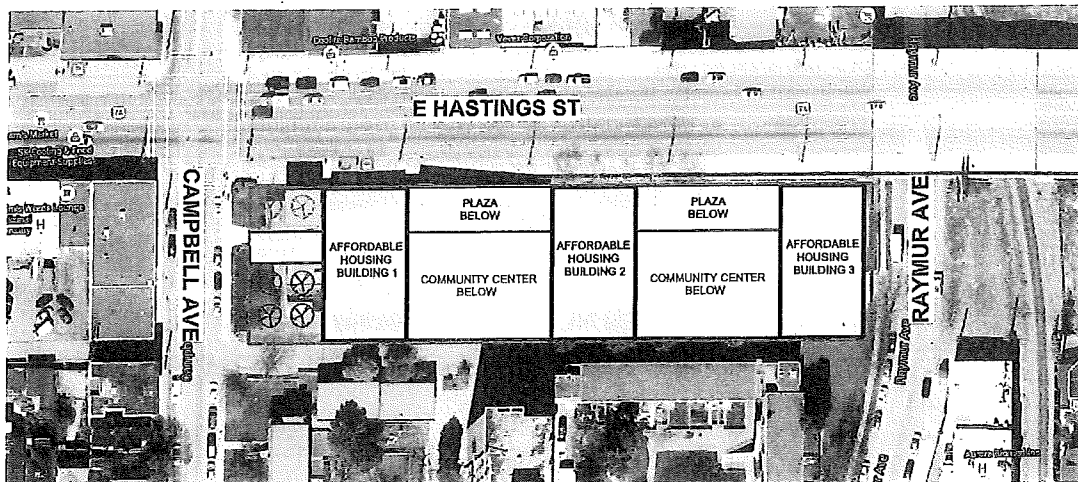
Westbank will provide an **\$2M for 601 Beach Crescent towards the Creative Energy Fuel Switch gap** to achieve LEED Platinum Certification. A low carbon connection for South Downtown will allow new developments such as Vancouver House and 601 Beach Crescent to achieve LEED Platinum Certification.

Granville Bridge Greenway



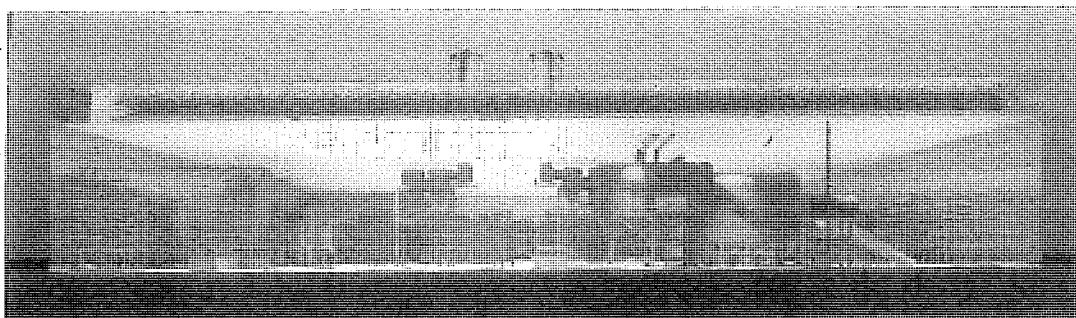
The Vancouver House model showing the proposed Granville Bridge Greenway

A New Ray-Cam Community Center



A preliminary site plan of a proposed new community center and affordable housing at the Ray-Cam site

Low Carbon Fuel Switch



Rendering of Creative Energy Fuel Switch

3

Completing a Unified Architectural Gateway into Downtown Vancouver








Throughout the rezoning process for Vancouver House, 601 Beach Crescent was always included as part of the overall vision due to the carefully executed design required for the site. **It is imperative that the rationale behind these 7 years of design work is carried over to the design of 601 Beach Crescent** in order to complete the vision for the Granville Street Bridgehead. The design of this building will also speak to Vancouver's creative economy and stature as a technology hub. The key drivers behind this rationale include:

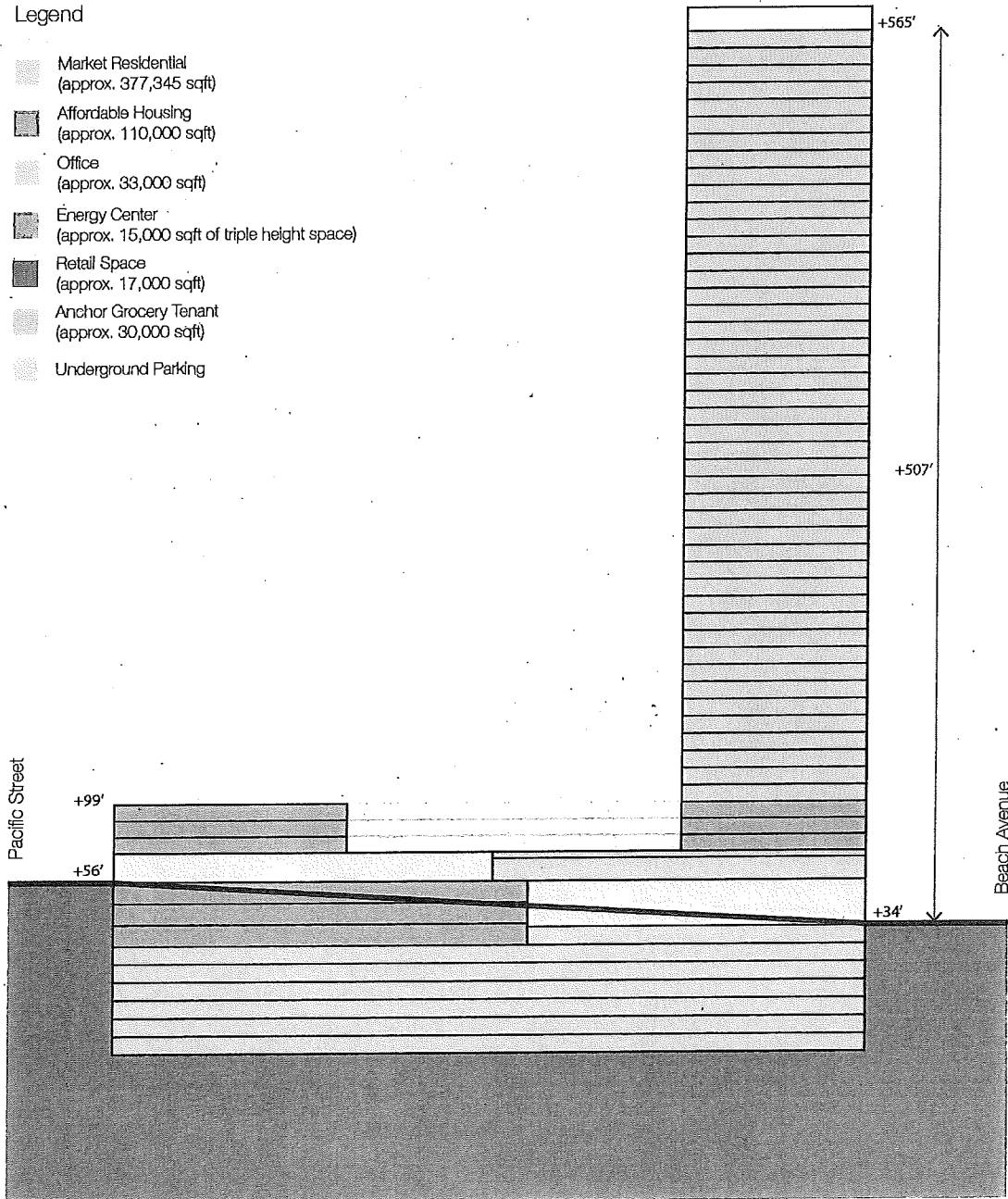
- Providing **diverse mixed-use programming** at 601 Beach Crescent to enhance both the retail community and the residential community in order to create a successful South Downtown neighborhood.
- **Creating an architectural gateway** to enhance the experience both in and out of Downtown Vancouver.

601 Beach Crescent Proposed Programming

For the sake of this proposal, we have assumed a total density of 567,345 sqft at 601 Beach Crescent which is based on similar height to Vancouver House but a smaller floor plate. **We note that the proposed tower location is not restrained by any view cone.**

Legend

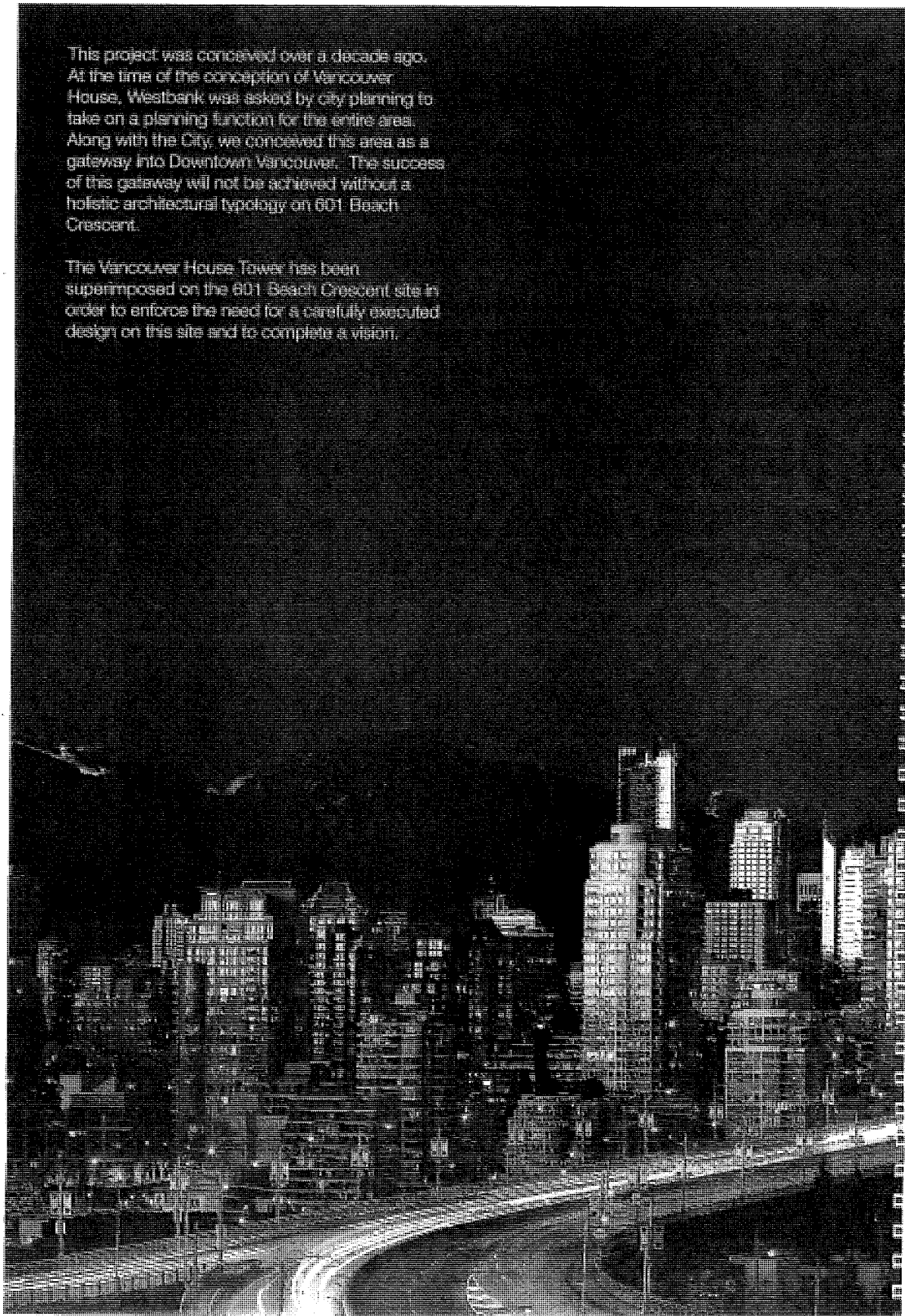
-  Market Residential
(approx. 377,345 sqft)
-  Affordable Housing
(approx. 110,000 sqft)
-  Office
(approx. 33,000 sqft)
-  Energy Center
(approx. 15,000 sqft of triple height space)
-  Retail Space
(approx. 17,000 sqft)
-  Anchor Grocery Tenant
(approx. 30,000 sqft)
-  Underground Parking

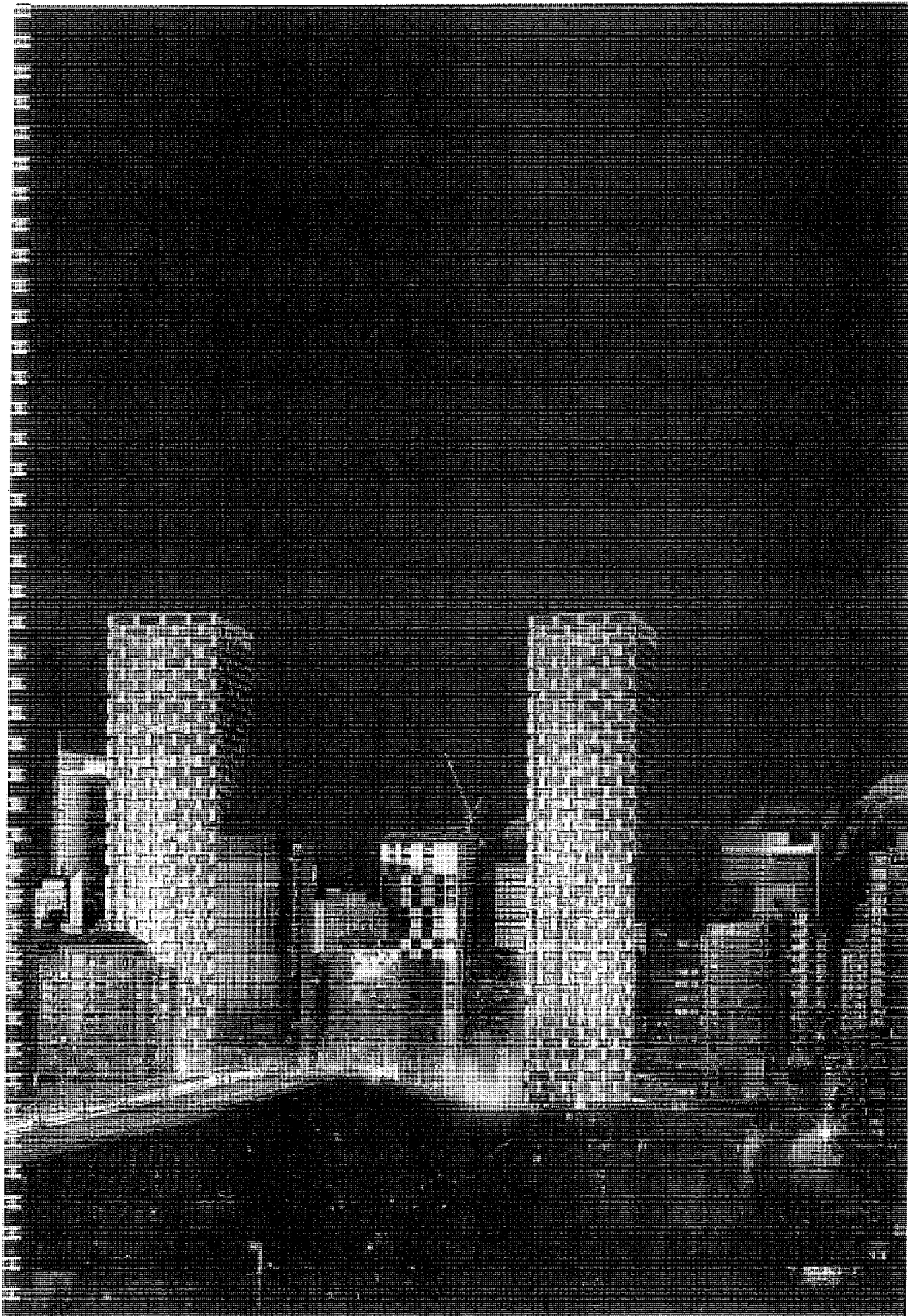


Granville Street Bridgehead View entering Downtown

This project was conceived over a decade ago. At the time of the conception of Vancouver House, Westbank was asked by city planning to take on a planning function for the entire area. Along with the City, we conceived this area as a gateway into Downtown Vancouver. The success of this gateway will not be achieved without a holistic architectural typology on 601 Beach Crescent.

The Vancouver House Tower has been superimposed on the 601 Beach Crescent site in order to enforce the need for a carefully executed design on this site and to complete a vision.





Granville Street Bridgehead View leaving Downtown

When we and city planning originally conceived this project, the intent was to create density, workspace and a retail amenity out of these awkward bridgehead lands.





Completing a Unified Architectural Gateway

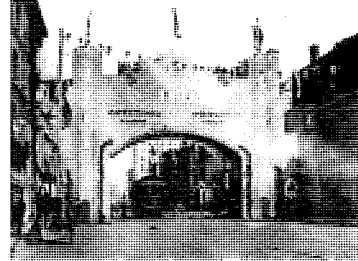
In historic Downtown Vancouver, the construction of arches and gateways was very popular when welcoming guests to the city or celebrating events. In essence, the completion of the gateway that Vancouver House has started will provide a permanent gateway into Downtown Vancouver.



Granville and Georgia Arch



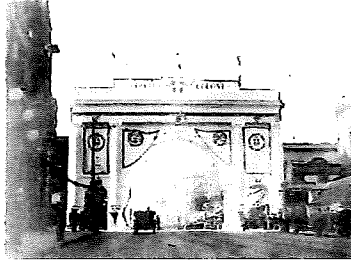
Georgia and Howe Arch



Progress Club Street Arch



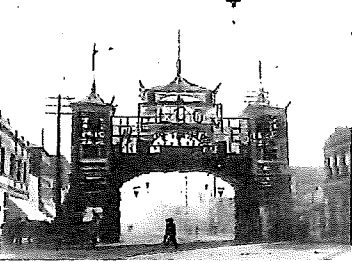
Granville and Hastings Arch



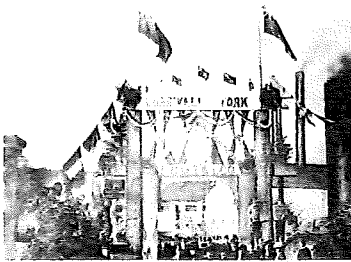
Italian Colony Arch for the Duke of Connaught



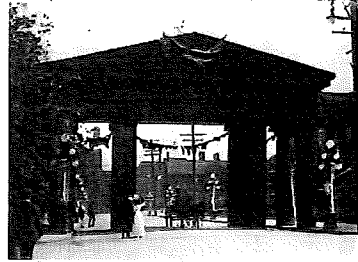
Foot of the Granville Street Bridge



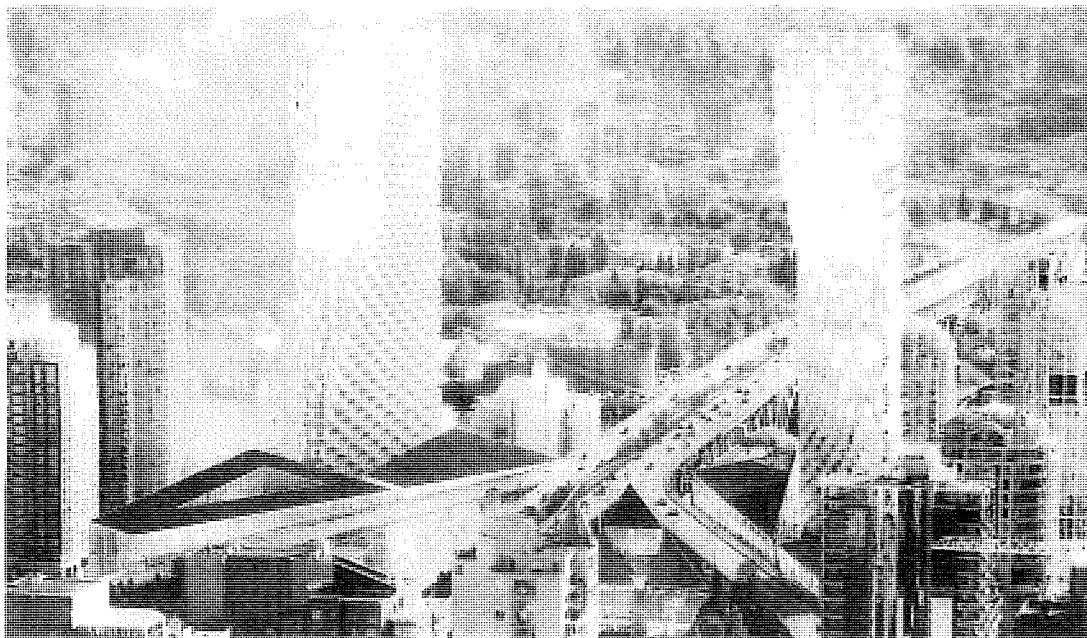
Hastings and Carroll Arch



Hastings Saw Mill Arch



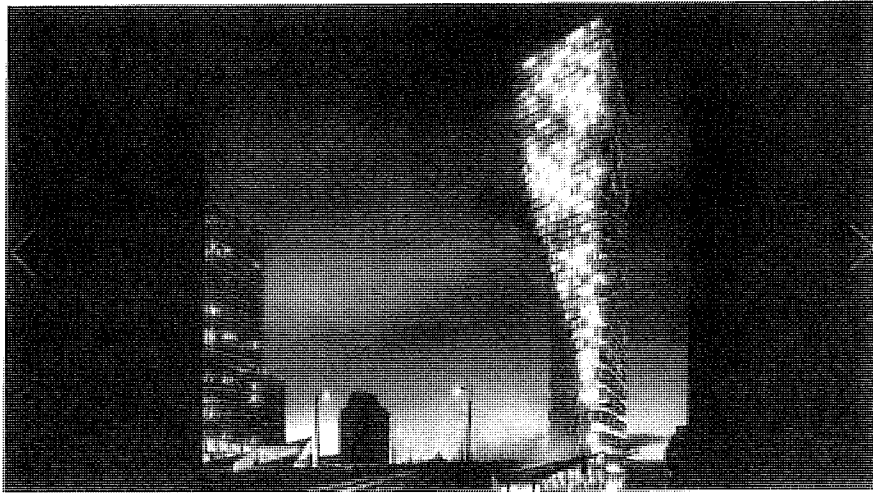
Lumberman's Street Arch



The first phase of Vancouver House was derived to respond to the second phase. In 2015, Vancouver House was the recipient of the World Architecture Festival's "Future Project of the Year" which strongly enforces the status of the development as a gateway into Downtown Vancouver. If the design of the two sites is not cohesive, the full value of this landmark will not be realized. In effect, it will have been half constructed.

And the World Building of the Year is...

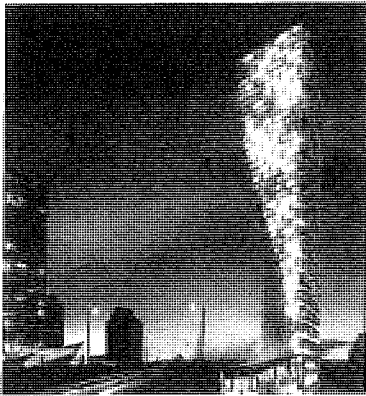
By Stephy Chung, CNN
 Updated 3:29 AM ET, Tue November 10, 2015



Winner of the Future Project of the Year: Vancouver House by Bjarke Ingells Group (BIG), Canada - The design was described by judges as a demonstration of how even a site can successfully transform residential urban spaces by taking full advantage of the site's prime location. The vertical structure creates a residential column in an area that is connected to a highway. Bjarke Ingells Group (BIG) Partner: Julia Bergonié Architects. In most cities the prime sites have been taken and built, and what we now have is these elevated spaces. This project & a model for how other cities might use these spaces. The design is an overview of Future Project of the year and for its category Future Residential.

The National Review of Design and Practice
 The City of Vancouver 2015-2016

Vancouver House named Future Project of the Year 2015

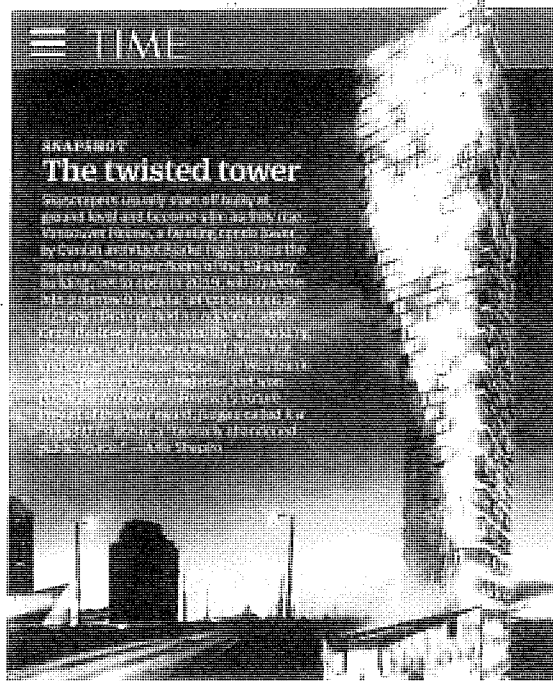


Vancouver has won the title Future Project of the Year 2015 at the World Architecture Festival (WAF). The project also garnered a Canadian Architect 2015 Award of Excellence.

The designers contorted the form of their 49-storey Vancouver House, creating a 30-metre setback from the adjacent motorway flyover that prevents any windows or balconies from overlooking it. Nine floors at the base of the tower will accommodate offices, shops and restaurants, which will spill out onto a series of public plazas that stretch underneath the elevated highway.

The WAF judges selected the project because it "mitigates the destructive impact of the highway flyover on infrastructure and urban form, and generates an exemplar new urban typology." They said, "It is a delightful project that will impact positively on many future municipality- and developer-led agendas for cities across the world."

In 2014, the Future Project of the Year prize was awarded to Canadian firm 54-68756 with its unrealized design for an art gallery in Victoria, BC.



4

Helping Vancouver Achieve a Low Carbon Future

Despite the large amount of recent development and existing density in South Downtown, **there is currently no neighborhood energy system in the area.** Significant additional development is still anticipated, but large anchor loads will be required to establish a local network given the more dispersed nature of remaining development. **A network will be required** to physically connect South Downtown to Creative Energy's existing steam network, which will eventually be required to **maximize the benefits from the proposed Creative Energy Fuel Switch.**

Westbank's proposal for 601 Beach Crescent will support a low carbon energy vision for South Downtown and Downtown as a whole in two important ways:

- **A \$2M contribution to the Fuel Switch**

Westbank will seek to make **601 Beach Crescent the world's 2nd high-rise residential LEED Platinum development** after Vancouver House. This will require connection to a significant low carbon energy source such as the Fuel Switch. We will show leadership by not only seeking the certification of 601 Beach Crescent, but also in securing the Fuel Switch through a contribution of \$2 million towards the project gap. **This contribution reflects the added value of LEED Platinum** which would not be technically feasible without the Fuel Switch. The contribution would be over and above the revenues from the site under the proposed Creative Energy low carbon franchise for South Downtown.

- **A Local Energy Center**

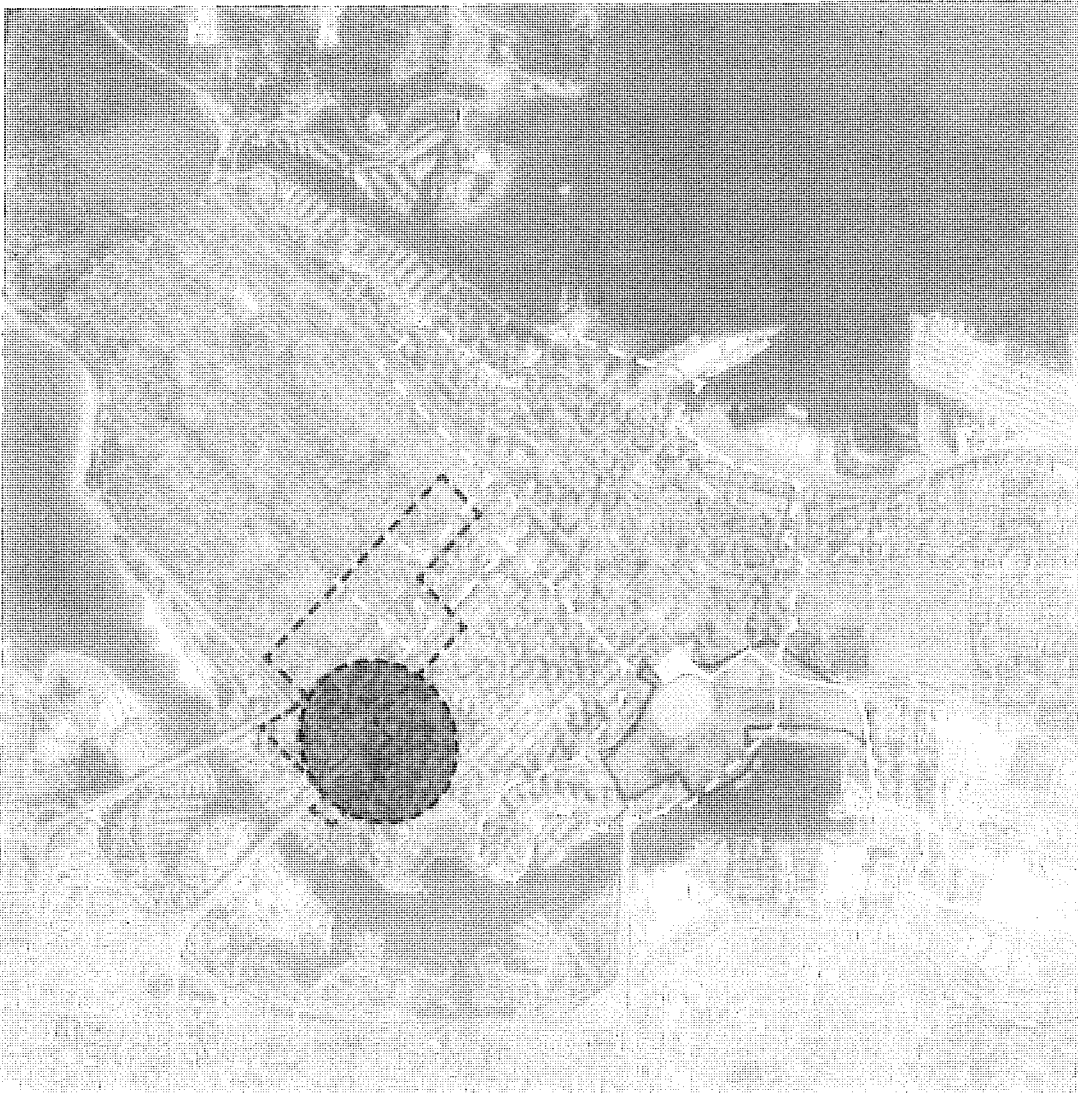
Westbank proposes to **reserve space** in the proposed development **for a local neighborhood energy center as well as space for additional low carbon energy sources** such as heat pumps connected to the City's Downtown Fire Protection System. With ongoing development and the growth of district energy in Downtown Vancouver, additional sources of low carbon energy may be required to supplement the Fuel Switch.

Creative Energy Downtown Expansion Plan

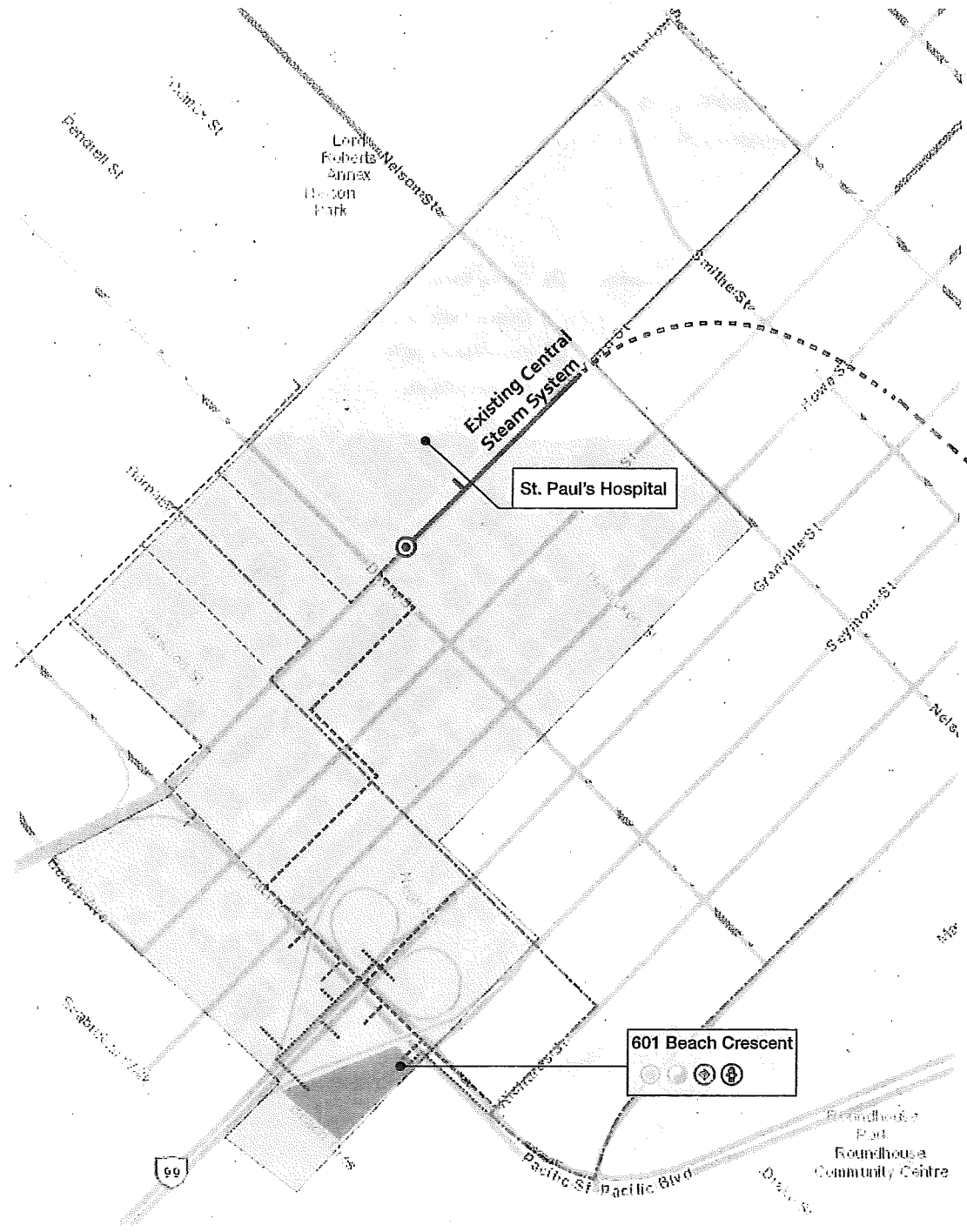
601 Beach Crescent represents an important anchor load for a new neighborhood energy network extending from the existing steam system all the way to the Granville Loops.

Legend

- | | |
|---|---|
| Existing plant and connection to future fuel switch | Creative Energy West End expansion area |
| Creative Energy existing network | Creative Energy South Downtown expansion area |
| Creative Energy NEFC expansion area | Granville Loops Node |
| Creative Energy Chinatown expansion area | 601 Beach Crescent |



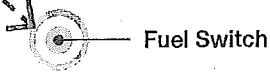
Creative Energy South Downtown Service Area



A Local Energy Center

Westbank proposes to reserve space in the proposed development for a local neighborhood energy center. Initially, this energy center would house a shared cooling plant for the cooling loads immediately around the Granville loops. **Creative Energy's vision** for Downtown and the Cambie corridor includes localized cooling plants at nodes with a high concentration of cooling loads. Shared cooling plants lower the total space required for cooling equipment in future developments around these nodes, **which also increases useful roof area, and** more importantly these centralized cooling plants **will help to maximize waste heat recovery from cooling.** This is an important element of Creative Energy's vision for low carbon energy heating. In the medium-term, this neighborhood energy center will likely also be required to house additional peaking boilers for South Downtown, at least until the node can be connected to the existing but more distant steam network.

In the longer term, additional sources of low carbon may be required to supplement the Creative Energy Fuel Switch due to increased development. **601 Beach Crescent is one of the only available sites capable of housing a low carbon-plant for South Downtown.**



Legend

- Existing DFPS
- Existing Steam Pipe
- - - Proposed Hot Water Pipe
- Proposed Cooling Service Pipe
- ⊙ Fuel Switch
- ⊕ Possible Future DFPS Connection
- ⊖ Potential Gas Generation
- ⊗ Potential Heat Recovery
- ⊘ Potential Cooling Plant
- ⊙ Potential Steam to Hot Water Converter

5

Completing the Retail Amenity promised to the South Downtown Neighborhood

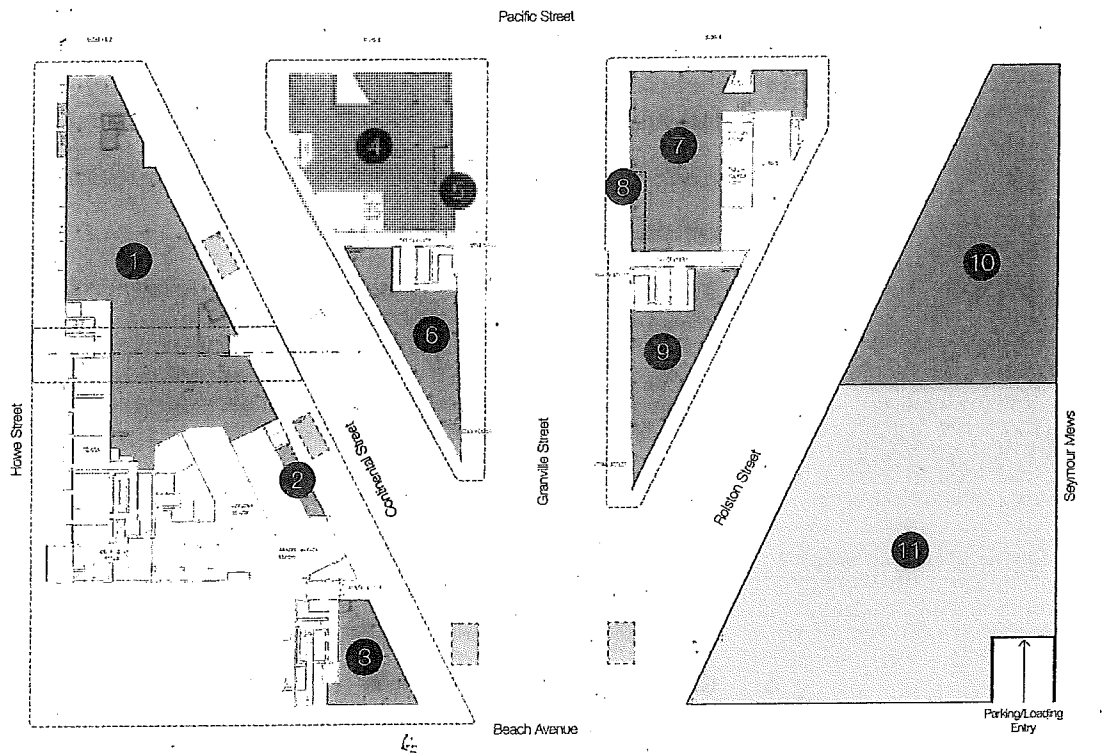
When Vancouver House was first being conceived with the City of Vancouver's Co-Director of Planning, it was clear that amenities were lacking in South Downtown. **In order to create a successful neighborhood** around Vancouver House, a vibrant retail community must be achieved which **is contingent on an anchor grocery store.**

It has always been conceived that when the second phase of the site was executed, it would house the anchor grocery store for the entire project. **An unanchored retail community will not survive and will not give back to the community the way the South Downtown District Plan was originally envisioned.** 601 Beach Crescent is the only site that can accommodate the anchor for the retail center for the following reasons:

- The population of South Downtown is rapidly growing with few grocery stores available within walking distance, let alone a large anchor tenant grocery store.
- The sizes and configurations of the retail spaces available at Vancouver House are constrained by site conditions which make it impossible to house a large grocery store anchor tenant.

Proposed Grade Level Retail Plan (Vancouver House and 601 Beach Crescent)

It is obvious in this plan that **601 Beach Crescent is the only site capable of housing an anchor grocery tenant** in order to complete the retail plan for this neighborhood. By providing the retail community with an anchor tenant, we are able to carefully curate each retail tenant as opposed to simply filling space. The only way the South Downtown neighborhood retail center will be successful is with a cohesive project on either side of the Granville Street Bridge.



Legend

- | | | | |
|----------------------------------|---|---|--|
| Vancouver House Retail | Vancouver House Retail Kiosks | 601 Beach Crescent Retail | 601 Beach Crescent Anchor Grocery Tenant |
| 1 Restaurant Hall
14,500 sqft | 4 Cooking School
5,100 sqft | 7 Bank
6,500 sqft | 10 Drug Store
17,000 sqft |
| 2 Florist
2,000 sqft | 5 Specialty Shop (Tea Shop)
1,000 sqft | 8 Specialty Shop (Barber)
1,000 sqft | 11 Grocery Store
30,000 sqft |
| 3 Bike Cafe
2,000 sqft | 6 Art Gallery
2,900 sqft | 9 Restaurant
3,200 sqft | |

6

Terms of Offer and Proposed Variations to Sale Contract

Westbank submits its offer to purchase the Property, on the terms of the Sale Contract annexed as Schedule H to the City's Sales Package as amended as set out below (capitalized terms shall have the meaning ascribed in the Sales Contract except as otherwise defined herein or as the context may otherwise require):

- **Purchase Price.**

The purchase price for the Property is approximately **\$355,776,816**, paid as follows:

- **Off-site Affordable Housing Units.**

\$338,276,816, by way of delivery to the City of approximately 1,000 new affordable rental housing units totaling no less than 561,250 sf of rentable area (the "Off-site Units"). The Off-site Units will be delivered to the City by way of a leasehold interest with a term of not less than 60 years or to acceptable third party non-profit operators, and will meet the criteria set out in Section 1 of this Schedule K to the Sale Package.

- **Ray-Cam Contribution.**

\$7,500,000 as a contribution towards the costs of constructing a new Ray-Cam Community Centre, which is assumed to be one of the sites for the off-site affordable housing units. This amount will be paid in cash on enactment of the zoning permitting the Development.

- **Granville Greenway Contribution.**

\$8,000,000 as a contribution towards the costs of constructing the Granville Greenway. This amount will be payable in cash on enactment of the zoning permitting the Development.

- **Fuel Switch Contribution.**

\$2,000,000 as a contribution towards the capital costs required to switch the Creative Energy downtown thermal network to a low-carbon source. This amount will be payable in cash on enactment of the zoning permitting the Development.

- **Delivery of On-site Housing.**

Westbank and the City will prior to enactment of the zoning for the Development settle a housing or other applicable agreement to govern delivery to the City of the on-site non-market units (the "On-site Non-Market Units") consisting of 152 turnkey non market units conforming to the unit mix and square footage as set out in the Sales Package, which non-market units will satisfy Westbank's CAC obligations on the rezoning of the Property to permit the Development.

- **Delivery of Off-site Housing.**

Westbank and the City will determine in conjunction with BC Housing the sites to be developed for the Off-site Units and will agree on a phasing schedule for their permitting and delivery. Westbank will commence design and permitting for the Off-site Units concurrently with the rezoning phase of the Development and will start construction of the Off-site Units on or before issuance of any building permit for the Development.

- **Deposit.**

Upon final settlement of an agreement between the City and Westbank for the purchase and sale of the Property, Westbank will increase the Deposit from \$500,000 to \$5,000,000. On enactment of the rezoning bylaw for the Development the Deposit will be applied towards the Granville Greenway Contribution.

- **Closing Date.**

The Closing Date for the purchase and sale of the Property will occur prior to enactment of the zoning bylaw for the Development on the date which is 15 days following receipt by Westbank of a letter from the City advising that all agreements and other documents required as a condition of enactment of the zoning bylaw permitting the Development are fully settled and that there is nothing further required to enact the zoning bylaw except Council approval, and the City confirms that it is not aware of any impediment to Council's approval of the enactment of the bylaw.

- **Security for Delivery of the Off-site Units.**

On the Closing Date, the City will register against title to the Property a charge detailing the means that have been determined and agreed between Westbank and the City to secure Westbank's obligation to deliver the Off-site Units to the City at no cost to the City.

- **Risk.**

Westbank will take on all financing and construction risk for the development, construction and delivery to the City of the Off-site Units including all risk of cost overruns.

- **Adjustment to Purchase Price.**

Westbank's offer has been formulated based upon assumptions as to the achievable built form and density for the Property based on the substantial planning work that was undertaken by Westbank in support of the rezoning of the Vancouver House site. In order not to fetter Council's discretion and permit the price to be adjusted higher or lower to reflect the ultimately achieved built form and density, the Sale Contract will include an adjustment clause satisfactory to the parties which will proportionately increase or decrease the rentable area and estimated number of the Off-site Units to reflect the form of development ultimately approved by Council.

Terms of Offer Continued

- **Shortfall Payment.**

If for any reason other than the default of the City, Westbank is unable to deliver all of the Off-site Units area as provided below, then Westbank will pay to the City an amount equal to the value of the Off-site Units area which has not been delivered. In particular:

- **Shortfall after 5 Years.**

If, five years after issuance of the building permit for the Development, 100% of the Off-site Units area is not either complete or under construction with financial commitments in place to permit completion then the City will have the option of requiring a cash payment from Westbank in lieu of the delivery of the shortfall of the amount of Off-site Units area;

- **Shortfall in Agreed Projects.**

The parties will attempt to identify sites for delivery of the Off-site Units that in aggregate will fully deliver the Off-site Units rentable area. However, if the total rentable area of the identified Off-site Units falls short of the total rentable area Westbank has committed to deliver, then Westbank will make a cash payment to the City in lieu of the delivery of the shortfall, provided always that in no event will Westbank without the consent of the City deliver less than 95% of the total rentable area of Off-site Units that Westbank has committed to deliver.

The shortfall will be expressed as a percentage of the overall Off-site Units area not delivered. The shortfall payment will be calculated as \$400 multiplied by the approved gross floor area of the Development (net of the On-site Non-Market Units and any other non-market areas in the Development) multiplied by the shortfall percentage.

- **Permitted Encumbrances**

The City will discharge from the Property prior to the Closing Date the following charges:

Indemnity Agreement 241650M
Equitable Charge BG426163 as extended
Equitable Charge BK370851

Financial Summary

Summary of Affordable Housing Funding Sources by Site

Funding Source	Funding Type	Total On/Off-Site Affordable Housing	601 Beach Crescent On-Site Affordable Housing	Off-Site Affordable Housing
	<i>gross area (est)</i>	790,303 sf	110,000 sf	680,303 sf
	<i>net area</i>	649,250 sf	88,000 sf	561,250 sf
	<i>units</i>	1,152 units	152 units	1,000 units
BC Housing	<i>Per sf (gross)</i>	\$82 /sf	\$0 /sf	\$95 /sf
	Land Equity	\$64,628,788	\$0	\$64,628,788
	Cash Equity	\$23,130,151	\$0	\$23,130,151
	Total	\$87,758,939	\$0	\$87,758,939
CMHC	<i>Per sf (gross)</i>	\$22 /sf	\$21 /sf	\$22 /sf
	<i>Per sf (net)</i>	\$27 /sf	\$26 /sf	\$27 /sf
	<i>Per Unit</i>	\$15,000/unit	\$15,000/unit	\$15,000/unit
	Grant	\$17,280,000	\$2,280,000	\$15,000,000
	<i>Per sf (gross)</i>	\$44 /sf	\$0 /sf	\$51 /sf
	<i>Per sf (net)</i>	\$54 /sf	\$0 /sf	\$62 /sf
	<i>Per Unit</i>	\$30,382/unit	\$0/unit	\$35,000/unit
	Investment	\$35,000,000	\$0	\$35,000,000
	<i>Per sf (gross)</i>	\$66 /sf	\$21 /sf	\$73 /sf
	<i>Per sf (net)</i>	\$81 /sf	\$26 /sf	\$89 /sf
<i>Per Unit</i>	\$45,382/unit	\$15,000/unit	\$50,000/unit	
Total	\$52,280,000	\$2,280,000	\$50,000,000	
BC Housing or CMHC Mortgage Financing		\$112,758,939	\$0	\$112,758,939
Westbank Funding		\$129,938,917	\$42,179,979	\$87,758,939
Total		\$382,736,795	\$44,459,979	\$338,276,816

Westbank Additional Contributions

<i>Granville Bridge Greenway</i>	\$8,000,000
<i>Fuel Switch Legacy</i>	\$2,000,000
<i>Ray-Cam Community Center</i>	\$7,500,000
Total	\$17,500,000

Summary of Contributions for 601 Beach Crescent

	Total	Condo	Retail	Office
	457,345 sf	377,345 sf	47,000 sf	33,000 sf
Total Westbank Funding	\$147,438,917	\$322 /sf	\$374 /sf	\$100 /sf
Total Benefit to Vancouver	\$400,236,795	\$883 /sf	\$1,044 /sf	\$50 /sf

Appendix A

Letters of Commitment from our Partners (CMHC and BC Housing)



National Office Bureau national
 700 Montreal Road 700, chemin de Montréal
 Ottawa Ontario K1A 0P7 Ottawa (Ontario) K1A 0P7
 Tel: 613-748-2000 Tél: 613-748-2000

July 22, 2016

Attention: Ian Gillespie
 Westbank Corporation
 501, 1067 West Cordova St.,
 Vancouver, BC
 V6C 1C7

Dear Ian,

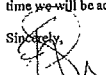
RE: 601 Beach Crescent, Vancouver - Proposal for 1,152 Affordable Housing Units

We're writing to express our interest in your innovative approach to bringing affordable rental housing to Vancouver. As you are aware we will be launching an initiative to support the development of Innovative Affordable Rental Housing in the next few months. We anticipate being in the position to receive final applications in early September. Funding will ultimately be a function of relative merits of each proposal versus others and the deliberation of a Blue Ribbon Panel established for this purpose.

Given the innovative approach in your outline, including the attention to community design, the inclusive approach to housing and attentiveness to environmental concerns, we believe that yours is the type of project the Fund was established to support. We have had success in partnerships like this, inclusive of the private sector and all three levels of government, which continue to support housing needs across the country. The redevelopment of Woodward's in Vancouver, in which CMHC participated with the City of Vancouver, BC Housing and Westbank, exemplifies this model.

As mentioned we are working towards the launch of this initiative by early September at which time we will be accepting applications, we will notify you once they are available.

Sincerely,


 Evan W. Skidell, President and Chief Executive Officer
 Canada Mortgage and Housing Corporation

c.c. Shayne Ramsay, CEO BC Housing Corp.
 Caroline Sanfacon, Regional Vice President, BC Region

CANADA MORTGAGE AND HOUSING CORPORATION SOCIÉTÉ CANADIENNE D'HYPOTHÈQUES ET DE LOGEMENT
 Canada



BC Housing

August 4, 2016

Westbank Projects Corp.
 Suite 501 - 1067 West Cordova Street
 Vancouver, BC, V6C 1C7

Attention: Mr. Ian Gillespie

Re: 601 Beach Avenue, Vancouver, BC

Thank you very much for the invitation to join the Canadian Mortgage and Housing Corporation ("CMHC") and Westbank in the innovative housing proposal you are preparing in response to the City of Vancouver's Request for Proposals for 601 Beach Avenue (the "RFP"). We appreciate the invitation to support this partnership.

As we currently understand the proposal, Westbank's submission includes a novel partnership between CMHC, the City of Vancouver (COV), and Westbank to exchange the market value of the land and air space at 601 Beach Avenue to develop the following:

- 152 affordable housing units to be built by Westbank on site in partnership with CMHC;
- Approximately 1,000 affordable housing units (the "Affordable Housing") to be built by Westbank off-site in a partnership with CMHC, BC Housing and the City of Vancouver, at other sites to be identified and located in Vancouver; and
- A potential additional \$12M cash contribution to be split between the Granville Street Bridge Greenway development, the redevelopment of the Ray Curn Community Center and towards the low-carbon Fuel Switch.

BC Housing is excited about this opportunity and we have a number of options available to partner if this proposal comes to fruition. We understand the basic premise of the proposal is to lever CMHC's financial contributions to be made under CMHC's new private sector Federal Innovation Fund, with the City's value of the airspace from the rezoning of the subject property, and BC Housing's housing tools (loan facility, land sites, capital, PDP, and development expertise) to generate a significant new addition to Vancouver's affordable rental housing stock in a novel, three-level government and private sector development initiative. To this end, Westbank, while prepared to act as the project development manager and construction manager, will be required to complete procurement processes that meet BC Housing's and CMHC's procurement and public tendering guidelines for government funded projects. Further details of the processes will be provided as the proposal moves forward, and will be directly conditional on the following: (i) the City of Vancouver agreeing to award the City owned 601 Beach Avenue property to Westbank as permitted under the Vancouver Charter and (ii) Westbank receiving CMHC project approval for access to the Federal Innovation Fund on terms and conditions as set out by CMHC.

BC Housing feels that this proposal to develop affordable housing fits in line with current provincial priorities by offering housing to those households that are most vulnerable and provides access to stable affordable rental housing for low income households to prevent homelessness. It is also a novel development model that will hopefully see CMHC develop a new National Housing Strategy that harnesses the expertise and innovation of the private sector, while supporting Vancouver City Council's commitment to end street homelessness. The federal government's renewed role in the production of affordable housing, and in particular, their interest in supporting innovative strategies to achieve this, dovetails closely with BC Housing's objectives going forward.

BC Housing has successfully partnered with the City of Vancouver, Westbank and CMHC on other projects including Woodward's and the Stanley and New Fountain Hotel sites to develop social and affordable housing serving various clients including families, low income households as well as homeless and those at risk of homelessness and we value the relationship that our organizations have built together. To this end, BC Housing would be pleased to support this innovative proposal and partnership with CMHC and we look forward to working with you on this important initiative.

Sincerely,


 Shayne Ramsay
 President and CEO
 British Columbia Housing Management Commission

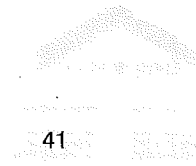
Cc: Mr. Evan W. Skidell, President & CEO
 Canada Mortgage and Housing Corporation

Home Office
 1701 - 4525 Kwayway
 Burnaby, BC V5H 4V8
 Tel: 604-433-1711
 Fax: 604-433-1722
 www.bchousing.org

Appendix B

Drawings of Proposed Off-Site Affordable Housing Projects:

- The Only | 20 East Hastings Street
- Pigeon Park | 62/92 East Hastings Street
- Ray Cam | 920 East Hastings Street



47

57



Onni Group



August 16, 2016

Adrian Thompson
City of Vancouver
Real Estate and Facilities Management
c/o 5th Floor Reception, 507 West Broadway
Vancouver, B.C.

Dear Sir,

Re: 601 Beach Crescent, Vancouver, B.C. (the "Property") - First Deposit

Pursuant to Section 4.0 of the Invitation to Offer pertaining to the Property, enclosed please find a Bank Draft in the amount of \$500,000 representing the First Deposit.

I trust the enclosed is in order; however, should you have any questions, please contact me.

Alistair Arnold
Onni Group of Companies
#300 – 550 Robson Street
Vancouver, B.C., V6B 2B7
T: 604.602.7711
F: 604.688.7907
E: aarnold@onni.com

Yours truly,

ONNI GROUP OF COMPANIES

A handwritten signature in black ink, appearing to read "Alistair Arnold", written over a horizontal line.

Alistair Arnold

Suite 300 – 550 Robson St.
Vancouver, British Columbia
Canada V6B 2B7

PHONE 604 602 7711
FAX 604 688 7907
onni.com

REAL ESTATE DEVELOPMENT
PROPERTY & CONSTRUCTION MANAGEMENT

SECTION 4.0
OFFER/ACCEPTANCE SECTION

4.1 Offer to Purchase

To: CITY OF VANCOUVER

Office of Director of Real Estate Services

I/We now offer to purchase from the City of Vancouver, the Property located at 601 Beach Crescent, Vancouver, B.C., legally described in this Sale Package for the sum of \$ \$55,000,000 (Fifty-Five Million Dollars) _____, (the "Base Purchase Price") on the terms and conditions contained in this Sale Package, including the Sale Contract, all of which will survive the completion of the purchase and sale of the Property noting that the Base Purchase Price is inclusive of the obligation for the Offerer to deliver the required affordable housing as set out in the Sale Package.

I/We now offer to adjust the Base Purchase Price prior to rezoning enactment by adding to it an Adjustment Price, being an amount equivalent to a numerator of ~~X~~ Please see Addendum, multiplied by each buildable square foot of additional floor space above a base Gross Buildable Area of 186,641, which may be approved in principle by Vancouver City Council should I obtain a rezoning of the Property, which amount will be paid on the terms and conditions contained in this Sale Package, including the Sale Contract, all of which will survive the completion of the purchase and sale of the Property.

My/Our certified cheque or bank draft for \$500,000 is enclosed as the Initial Deposit to be held on account of my/our offer to purchase the Property.

Dated at Vancouver, British Columbia this 16th day of August, 2016.

4.2 Conditions

In accordance with Section 4.2 of the Sale Contract, the Offer is subject to the following conditions precedent (if any) in favour of the Offeror to be removed or waived within ten calendar days after receipt of this offer signed by the City.


[Note to Offeror: Provide condition description and removal date.]

Condition:

Condition Removal Date:

None.

Page 21


Initials of
Authorized Signatory

4.3 Proposed Variations to Sale Contract

We hereby attach a summary of our proposed variations to the Sale Contract for consideration and further negotiation with the City. Yes No

4.4 Name, Address and Witnessed Signature Under Seal of Offeror

4.4.1 Legal Name and Description of Offeror

The complete name of the Offeror is (*complete as applicable*):

- (a) An individual named _____
- (b) A partnership named _____, comprised of the following partners:

[*Note to Offeror:* Insert full legal names and, if partners are corporations, include incorporation/registration numbers for each corporate partner in the spaces provided above.]

- (c) A company named Onni Development Capital Corp. incorporated under the laws of British Columbia under incorporation No. BC0598947 and, if an extra-provincially incorporated company, registered as an extra-provincial company in British Columbia under registration number N/A.


4.4.2 Address, Contact, Telephone and Fax Number for Offeror

[*Note to Offeror:* Complete all Blanks as applicable.]

Offeror(S) Address: 300-550 Robson Street, Vancouver, B.C., V6B 2B7
Contact Person (if other than Authorized Signatory): Alistair Arnold
Telephone/Fax/E-Mail: T: +1 (604) 602-7711 F: +1 (604) 688-7907 E: aarnold@onni.com

4.4.3 Witness/Authorized Signatory Name, Address, and Signature

[*Note to Offeror:* Complete and have signed by Authorized Signatory in presence of Witness.]



Initials of
Authorized Signatory

Witness to Signature(s):

Authorized Signatory (ies) for Offeror:

Witness:

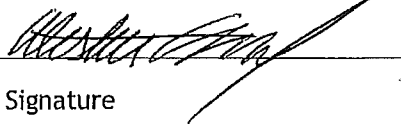
Authorized Signatory(ies):

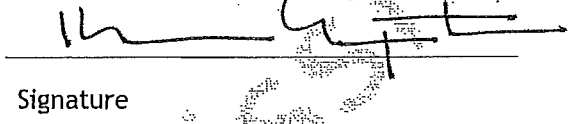
Alistair Arnold

Kevin Carpenter

Name

Name





Signature

Signature

300-550 Robson Street,
Vancouver, B.C., V6B 2B7

300-550 Robson Street,
Vancouver, B.C., V6B 2B7

Address

Address

604-602-7711

604-602-7711

Telephone No.

Telephone No.

604-688-7907

604-688-7907

Fax No.

Fax No.

Owner Acceptance

ACCEPTANCE

The Owner now accepts this Offer, subject to approval by Vancouver City Council, on the terms and conditions of this Sale Package, including the Sale Contract and the conditions set out in Section 4 of the Sale Contract, and encloses the Sale Contract, for signature by the Offeror.

Date of Owner's Acceptance: _____, 2016.

City of Vancouver
by its authorized signatory(ies):

Page 23



Initials of
Authorized Signatory

Invitation to Offer – 601 Beach Crescent, Vancouver

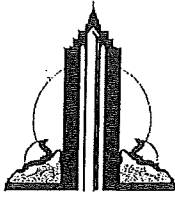
Addendum

The Base Purchase Price for the Property will be Fifty-Five Million Dollars (\$55,000,000)

The Adjustment Price will be as follows:

- The Adjustment Price applicable to the Gross Buildable Area range from 186,641 square feet to 370,240 square feet will be Zero Dollars (\$0.00) per square foot.
- The Adjustment Price applicable to the Gross Buildable Area greater than 370,240 square feet will be Three Hundred Eighty One Dollars (\$381) per square foot.

Pinnacle International Lands Inc.



PINNACLE INTERNATIONAL

August 16, 2016

Office of the director of Real Estate Services
City of Vancouver
Real Estate & Facilities Management
5th Floor Reception, 507 West Broadway
Vancouver , British Columbia V5Z 0B4

Real Estate and
Facilities Management
Ref'd to: JERRY EVANS

AUG 16 2016

File No:.....

RE: 601 Beach Crescent, Vancouver

Please find Enclosed Offer and deposit for the subject lands. Please let me know if you have any further questions or clarification.

Regards,

Pinnacle international Lands Inc.

Vito De Cotiis

SECTION 4.0
OFFER/ACCEPTANCE SECTION

4.1 Offer to Purchase

To: CITY OF VANCOUVER

Office of Director of Real Estate Services

I/We now offer to purchase from the City of Vancouver, the Property located at 601 Beach Crescent, Vancouver, B.C., legally described in this Sale Package for the sum of

\$20,000,000.00 (Twenty Million),
(the "Base Purchase Price") on the terms and conditions contained in this Sale Package, including the Sale Contract, all of which will survive the completion of the purchase and sale of the Property noting that the Base Purchase Price is inclusive of the obligation for the Offerer to deliver the required affordable housing as set out in the Sale Package.

I/We now offer to adjust the Base Purchase Price prior to rezoning enactment by adding to it an Adjustment Price, being an amount equivalent to a numerator of \$365.00, multiplied by each buildable square foot of additional floor space above a base Gross Buildable Area of 186,641, which may be approved in principle by Vancouver City Council should I obtain a rezoning of the Property, which amount will be paid on the terms and conditions contained in this Sale Package, including the Sale Contract, all of which will survive the completion of the purchase and sale of the Property.

My/Our certified cheque or bank draft for \$500,000 is enclosed as the Initial Deposit to be held on account of my/our offer to purchase the Property.

Dated at Vancouver, British Columbia this 16 day of August, 2016.

4.2 Conditions

In accordance with Section 4.2 of the Sale Contract, the Offer is subject to the following conditions precedent (if any) in favour of the Offeror to be removed or waived within ten calendar days after receipt of this offer signed by the City.

[Note to Offeror: Provide condition description and removal date.]

Condition:	Condition Removal Date:
<u>No. Conditions.</u>	

UMA

4.3 Proposed Variations to Sale Contract

We hereby attach a summary of our proposed variations to the Sale Contract for consideration and further negotiation with the City. Yes No

4.4 Name, Address and Witnessed Signature Under Seal of Offeror

4.4.1 Legal Name and Description of Offeror

The complete name of the Offeror is (complete as applicable):

- (a) An individual named _____
- (b) A partnership named _____, comprised of the following partners:

[Note to Offeror: Insert full legal names and, if partners are corporations, include incorporation/registration numbers for each corporate partner in the spaces provided above.]

- (c) A company named Pinnacle International Lands Inc. incorporated under the laws of British Columbia under incorporation No. BC0890897, and, if an extra-provincially incorporated company, registered as an extra-provincial company in British Columbia under registration number N/A.

4.4.2 Address, Contact, Telephone and Fax Number for Offeror

[Note to Offeror: Complete all Blanks as applicable.]

Offeror(S) Address:	300-911 Homer St, Vancouver, B.C. V6B 2W6
Contact Person (if other than Authorized Signatory):	Vito De Colis
Telephone/Fax/E-Mail:	604-602-7747 vmd@pinnacleinternational.ca

4.4.3 Witness/Authorized Signatory Name, Address, and Signature

VMD

Initials of

[Note to Offeror: Complete and have signed by Authorized Signatory in presence of Witness.]

Witness to Signature(s):

Authorized Signatory (ies) for Offeror:

Witness:

Authorized Signatory(ies):

Name

Name

Signature

Signature

300-911 Homer St.

300-911 Homer St, Van, B

Address

Address

604-602-7730

604-602-7747

Telephone No.

Telephone No.

604-688-7749

604-688-7749

Fax No.

Fax No.

Owner Acceptance

ACCEPTANCE

The Owner now accepts this Offer, subject to approval by Vancouver City Council, on the terms and conditions of this Sale Package, including the Sale Contract and the conditions set out in Section 4 of the Sale Contract, and encloses the Sale Contract, for signature by the Offeror.

Date of Owner's Acceptance: _____, 2016.

City of Vancouver
by its authorized signatory(ies):

VMD