



This is the 2nd Affidavit of
Stephen Boale in this case and
was made on the 27th day of April, 2018

No. S-1710510
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE RECEIVERSHIP OF
0744860 B.C. LTD.

BETWEEN:

BOALE, WOOD & COMPANY LTD.
in its capacity as TRUSTEE IN BANKRUPTCY OF
MARIA YUEN-MAI KWONG a.k.a. MARIA KWONG

PETITIONER

AND:

0744860 B.C. LTD.

RESPONDENT

AFFIDAVIT

I, Stephen Boale, insolvency professional, c/o 1200 – 1075 West Georgia Street,
Vancouver, B.C., AFFIRM THAT AND SAY AS FOLLOWS:

1. I am a shareholder and employee of Boale, Wood & Company Ltd. (“Boale Wood”). On July 26, 2017 Boale Wood was appointed trustee of the estate of Maria Yuen-Mai Kwong a.k.a. Maria Kwong (the “Bankrupt”) in proceedings commenced under to the *Bankruptcy and Insolvency Act*, R.S.C. 1985 (the “BIA”), Estate No: 11-226-6985.
2. I have personal knowledge of the facts and matters hereinafter deposed to, save and except where the same are stated to be based upon information and belief, and where so I verily believe the same to be true.

3. As at the date of assignment the Bankrupt was the sole owner of all of the issued shares in 0744860 B.C. Ltd. (the "Company"). By operation of section 71 of the BIA the shares of the Company passed to and vested in Boale Wood in its capacity as trustee.
4. In order to realize the value of the shares for the estate, Boale Wood commenced these proceedings seeking appointment as receiver of the Company. I previously swore an affidavit on November 10, 2017 in support of that application.
5. On November 20, 2017 Boale Wood was appointed receiver of the Company. Attached and marked as **Exhibit "A"** is a copy of the Order made after Application by Mr. Justice Brundrett appointing Boale Wood as receiver.
6. The primary asset of the Company is a piece of real Property located on Lonsdale Avenue, North Vancouver, British Columbia (the "Property"). Since its appointment as receiver, Boale Wood has, amongst other things, taken steps to sell the Property and has now entered into an agreement to sell the Property, which is conditional on court approval.
7. I make this Affidavit in support of an application for an order approving the sale of the Property in accordance with the Offer to Purchase dated March 28, 2018, between Boale Wood, in its capacity as Receiver, and Beacon Pacific Properties Ltd. (the "Purchaser") (the "OTP"). Attached and marked as **Exhibit "B"** is a copy of the OTP.

The Property

8. The Property is more particularly described as:

111 3rd Street West,
North Vancouver, British Columbia, V7M 1E7
PID: 015-131-696

Lot 10, Block 140, District Lot 274
Plan 879

9. A copy of a title search for the Property is attached and marked as **Exhibit "C"**.

10. Below is summary of the encumbrances registered against title to the Property:
- (a) Mortgage CA3401722 (the “Gulf Mortgage”) in favour of Gulf and Fraser Fisherman’s Credit Union (“Gulf”).
 - (b) Assignment of Rents CA3401723 (the “Gulf Assignment of Rents”) in favour of Gulf. Gulf is aware of the potential sale and a copy of the application materials will be served on its counsel.
 - (c) Mortgage CA5781118 (the “Chartell Mortgage”) in favour of Chartell Properties Ltd. (“Chartell”). Boale Wood has, through counsel, been in contact for the lawyers for Chartell and has been requesting, for many months, details of the advances which are alleged to be secured by the Chartell Mortgage. Despite request, that information has yet to be provided. A copy of the application materials will be served on its counsel.
 - (d) Certificate of Pending Litigation CA5999051 (the “CPL”) in favour of Thomas Hin Keung Tsang. Mr. Tsang is the Bankrupts husband. The CPL was filed by Mr. Tsang in the course of family law litigation initiated shortly before the Bankrupt’s assignment. A copy of the application materials will be served on his counsel.
 - (e) Certificate of Pending Litigation CA6381556 in favour of John Combs. Mr. Combs is represented by the same counsel as Chartell and a copy of the application materials will be served on his counsel.

Marketing process

11. In order to market the Property for sale Boale Wood approached two real estate companies with experience in marketing and selling commercial property in North Vancouver. Proposals were received from both of the companies which set out, amongst other things, their representative experience in marketing and selling

properties similar to the Property, their proposed marketing strategy and their proposed commission structure.

12. After entering into negotiations with the realtors Boale Wood ultimately retained Cushman & Wakefield ULC (“C&W”) to market and sell the Property. Attached as **Exhibit “D”** is a copy of the Exclusive Agency to Sell which sets out the terms upon which C&W was retained.
13. C&W commenced marketing the Property for sale in December of 2017. I was kept apprised of the marketing process and developments by Mr. Sean Ungemach of C&W. Mr. Ungemach has provided me with various documents setting C&W’s marketing efforts for the purposes of preparing this affidavit. Based on the information provided by Mr. Ungemach and my personal involvement, the sales process proceeded as follows.
14. C&W initially:
 - (a) collected and assembled due diligence documents for the Property such as the leases, aerial photography and building/zoning information for development purposes;
 - (b) prepared marketing materials for the purposes of exposing the Property to a range of prospective buyers and hopefully securing multiple offers for the Property;
 - (c) created an electronic data room a data room with all of the relevant information relating to the Property for review and download by prospective purchasers.

(the “Marketing Materials”)
15. After compiling the Marketing Materials C&W took steps to identify and contact prospective purchasers including developers, investors, neighbouring property owners (including the Salvation Army which owns the property next door) to

make them aware of the opportunity. Hard copies of the Marketing Materials were then distributed to prospective purchasers including:

- (a) commercial realtors in the C&W database; and
 - (b) developers and investors in the C&W database.
16. C&W also:
- (a) identified top targeted purchasers and canvassed them periodically by telephone; and
 - (b) undertook an ongoing email campaign circulating the Marketing Materials and information relating to the Property and the sales process to the brokerage community, developers and investors.
17. A commercial broadcast of the opportunity took place through the Real Estate Board of Greater Vancouver which provides access to all licensed realtors in Metro Vancouver.
18. Details of the opportunity were also uploaded to the C&W website and the Western Investor.
19. C&W also determined that the value of the Property may be enhanced by securing commercial tenancies for the vacant second floor office space and so that the area was listed for lease. Multiple showings occurred but no offers were received primarily due to the untidy nature of space.
20. As a result of the marketing endeavours C&W conducted multiple tours of the Property with potential purchasers.
21. Based on recommendations received from C&W Boale Wood retained an environmental consultant to conduct a Phase 1 environmental report for the Property to make available to prospective purchasers. The purpose of doing this was to try and secure offers with the fewest possible conditions. Boale Wood also

retained a consultant to undertake a formal measurement of the premises located at the Property to provide accurate square footage.

22. Attached and marked as **Exhibits “E”, “F” and “G”** respectively are copies of the following documents prepared by C&W summarizing the marketing process:
 - (a) Marketing Brochure;
 - (b) Marketing report; and
 - (c) Prospect Tracking List (which has been redacted to remove the names of the prospective purchasers who were contacted for privacy reasons).

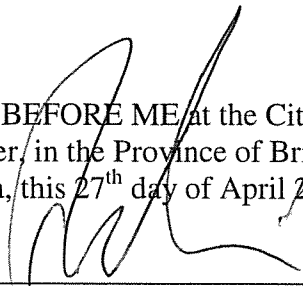
The bid process

23. As a result of recommendations provided by C&W, it was determined that the likely best means to realize the greatest value for the Property would be to institute a competitive bid process. Prospective purchasers were advised by C&W that Boale Wood would be accepting bids by March 13, 2018.
24. Four offers were received ranging from \$3,000,000 to \$3,750,000, all of which appeared to be from reputable buyers. On receipt of the offers C&W compiled an Offer Summary (a redacted, to remove the names of the potential purchasers, copy of which is attached and marked as **Exhibit “H”**) setting out the material terms of the offers received. On receipt of the Offer Summary I met with C&W and counsel for the receiver to review the offers and determine our response.
25. One of the offers (for \$3,500,000) was a no subject offer which held considerable appeal. However, the highest offer (\$3,750,000) had numerous conditions and a 30 day subject period. Although the unconditional offer was attractive, based on recommendations provided I decided that the price difference of \$250,000 was too great to ignore. I then took undertook further negotiations with representatives of the highest offer and was able to secure the removal of the bulk of the conditions in the initial offer and ultimately entered into the OTP. On execution of the OTP an initial deposit of \$100,000 was paid to C&W.

26. On execution of the OTP Boale Wood delivered a notice to Mr. Tsang, terminating his month-to-month tenancy of a second floor office space which is required by clause 8(f) of the OTP.
27. The OTP contains a purchaser's condition which was removed April 12, 2018. Attached and marked as **Exhibit "I"** is a copy of the Purchaser's Conditions Waiver. After executing the Purchaser's Conditions Waiver an additional deposit of \$400,000 was paid to C&W which is now holding total deposits totaling \$500,000 in trust.
28. The OTP also contains three vendor's conditions precedent being:
 - (a) a requirement that a right of first refusal, contained in a lease agreement between the Company and Victor Anderson's Pharmacy (1997) Ltd. a.k.a. Anderson's Pharmacy (1977) LTD ("Victor Anderson") be waived (the RFR Condition");
 - (b) a requirement that court approval be granted (the "Approval Condition"); and
 - (c) a condition requiring the vendor to terminate the lease with Victor Anderson's pharmacy (the "Tenancy Condition").
29. I then took steps to deal with the vendor's conditions and ultimately secured a surrender of the Victor Anderson's lease and the right of first refusal. As a result, on April 24, 2018 Boale Wood executed a Vendor's Condition Waiver a copy of which is attached and marked as **Exhibit "J"**. As matters stand, the only outstanding condition is the Approval Condition.
30. Given the matters set out above and my involvement in the marketing and sale process I believe that the Property has been exposed to the maximum number of potential buyers. Given the size of the asset, the lease encumbrances and lack of

income and short to medium term redevelopment potential I believe that the purchase price in the OTP represents the highest value presently achievable.

SWORN BEFORE ME at the City of)
Vancouver, in the Province of British)
Columbia, this 27th day of April 2018.)
_____)
A Commissioner for taking Affidavits within)
British Columbia)

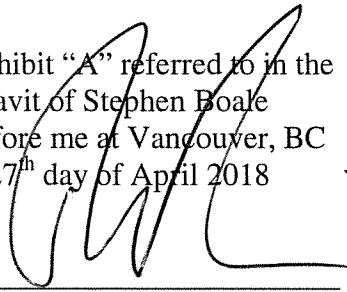


STEPHEN BOALE

JEREMY D. WEST
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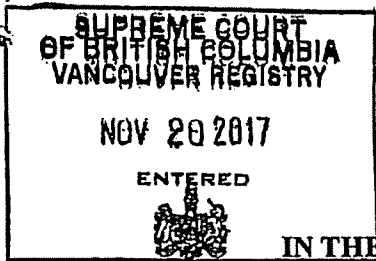
This is Exhibit "A" referred to in the
affidavit of Stephen Boale
sworn before me at Vancouver, BC
this 27th day of April 2018



A Commissioner for taking Affidavits
for British Columbia

JEREMY D. WEST
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IN THE MATTER OF THE RECEIVERSHIP OF
0744860 B.C. LTD.

BETWEEN:

BOALE, WOOD & COMPANY LTD.
in its capacity as TRUSTEE IN BANKRUPTCY OF
MARIA YUEN-MAI KWONG a.k.a. MARIA KWONG

PETITIONER

AND:

0744860 B.C. LTD.

RESPONDENT

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE) MON DAY, THE 20th DAY
)
MR JUSTICE BRUNDRETT) OF NOVEMBER 2017
)

ON THE APPLICATION of the Petitioner for an Order pursuant to Section 324 of the *Business Corporation Act*, S.B.C. 2002, c. 57 as amended (the "BCA") and Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the "LEA") appointing Boale, Wood & Company Ltd. ("BWC") as Receiver-Manager (in such capacity, the "Receiver") without security, of all of the assets, undertakings and properties of 0744860 B.C. Ltd. (the "Company") acquired for, or used in relation to a business carried on by the Company, coming on for hearing this day at the Courthouse at 800 Smithe Street, Vancouver, British Columbia.

AND ON READING the Petition dated November 9, 2017, the Affidavit #1 of Stephen Boale sworn November 9, 2017 and the consent of BWC to act as the Receiver; AND ON HEARING Jeremy D. West, Counsel for the Petitioner and other counsel as listed on Schedule "A" hereto, and no one appearing for the Company, although duly served.

THIS COURT ORDERS AND DECLARES that:

1. The time for service of the Petition, any Response to Petition, the Affidavits therein, and all related materials is abridged, if necessary, and any further service of the above documents is dispensed with.

APPOINTMENT

2. Pursuant to Section 324 of the BCA and Section 39 of the LEA Boale, Wood & Company Ltd. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Company of every kind and nature whatsoever, including all proceeds thereof (the "Property").

RECEIVER'S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (c) to manage, operate and carry on the business of the Company, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the other business, or cease to perform any contracts of the Company;
 - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order;
 - (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Company or any part or parts thereof;
 - (f) to receive and collect all monies and accounts now owed or hereafter owing to the Company and to exercise all remedies of the Company in collecting such monies, including, without limitation, to enforce any security held by the Company;
 - (g) to settle, extend or compromise any indebtedness owing to the Company;
 - (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Company, for any purpose pursuant to this Order;

- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Company;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Company, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate subject only the requirement that the Receiver does not, without the approval of the Court, enter into an agreement for the sale of real property located at 111 3rd Street West, North Vancouver, British Columbia, V7M 1E7 (more particularly described as PID:015-131-696, Lot 10, Block 140, District Lot 274, Plan 879) (the "Third Street Property") for a sum less than amount sufficient to pay any indebtedness due and owing under the:
 - (i) Mortgage, Registration No. CA3401722 in favour of Gulf & Fraser Fisherman's Credit Union (the "Gulf Mortgage");
 - (ii) Mortgage, Registration No. CA5781118 in favour of Chartell Properties Ltd. (the "Chartell Mortgage"); and
 - (iii) any legal or equitable mortgage which may be found to exist in favour of John Combs as claimed in proceedings in the Vancouver Registry of the Supreme Court of British Columbia, Action # 179660 or in any other proceeding (the "Combs Mortgage");
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$200,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required;

- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register, or maintain the registration of, a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if considered necessary or appropriate by the Receiver, in the name of the Company;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Company, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Company;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Company may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Company, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. Each of (i) the Company, (ii) all of the Company's current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Company, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that

Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE COMPANY OR THE PROPERTY

8. No Proceeding against or in respect of the Company or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Company or the Property are hereby stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of Proceeding except for service of the initiating documentation on the Company and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Company, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however

that nothing in this Order shall (i) empower the Receiver or the Company to carry on any business which the Company is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. The stay and suspension shall not apply in respect of any "eligible financial contract" as defined in the BIA.

NO INTERFERENCE WITH THE RECEIVER

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Company, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Company or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services of any kind to the Company are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Company's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Company or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever including, without limitation, the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post-Receivership Accounts**") and the monies standing to the credit of such Post-Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court. Any rent collected by the Receiver from the Third Street Property shall be applied firstly to keep the Gulf Mortgage current and thereafter as the Receiver sees fit for the maintenance of the Property.

EMPLOYEES

13. Subject to the right of employees to terminate their employment notwithstanding paragraph 11, all employees of the Company shall remain the employees of the Company until such time as the Receiver, on the Company's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Company, including any successor employer liabilities as provided for in Section 14.06(1.2) of the BIA, other than amounts the Receiver may specifically agree in writing to pay and amounts in respect of obligations imposed specifically on receivers by applicable legislation. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.
14. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Company, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, 1999, S.C. 1999, c. 33, the *Fisheries Act*, R.S.C. 1985, c. F-14, the *Environmental Management Act*, R.S.B.C. 1996, c. 118 and the *Fish Protection Act*, S.B.C. 1997, c. 21 and regulations thereunder (collectively "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

16. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:
- (a) any gross negligence or wilful misconduct on its part; or
 - (b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

Nothing in this Order shall derogate from the protections afforded the Receiver by Section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

17. The reasonable fees and disbursements of the Receiver and its legal counsel, in each case at their standard rates and charges, shall be entitled to and are hereby granted a charge (the "**Receiver's First Charge**") on the Property, which charge shall not exceed and aggregate amount of \$40,000, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's First Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA. Any reasonable fees and disbursements of the Receiver and its legal counsel, in each case at their standard rates and charges, in excess of \$40,000 shall be entitled to and are hereby granted a charge (the "**Receiver's Second Charge**"), as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Second Charge shall form a charge on the Property subordinate in priority to the Gulf Mortgage, the Chartell Mortgage and the Combs Mortgage but in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
18. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.
19. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$200,000.00

(or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's First Charge, the Receiver's Second Charge, the Gulf Mortgage, the Chartell Mortgage, the Combs Mortgage and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
22. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
23. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

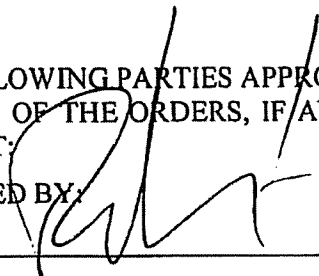
24. That any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's First Charge, the Receiver's Second Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property.

GENERAL

25. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
26. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Company.
27. This Court requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

- 28. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
- 29. The Petitioner shall have its costs of this motion, up to and including entry and service of this Order, on a substantial indemnity basis to be paid by the Receiver from the Company's estate with such priority and at such time as this Court may determine.
- 30. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
- 31. Any report to the Court filed or required to be filed by the Receiver shall be posted on the Receiver's website at <http://www.boalewood.ca/2017/11/16/0744860-b-c-ltd/> and such posting shall constitute good service and delivery to all interested parties, provided that the Receiver has advised each party having filed a Response of the website address.
- 32. Endorsement of this Order by counsel appearing on this application other than the Petitioner is hereby dispensed.

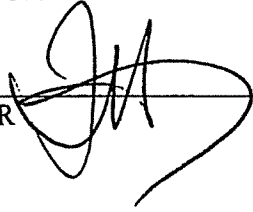
THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

APPROVED BY: 

Jeremy D. West
Counsel for the Petitioner



BY THE COURT

REGISTRAR 

in form

SCHEDULE "A"

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE RECEIVERSHIP OF
0744860 B.C. LTD.**

BETWEEN:

**BOALE, WOOD & COMPANY LTD.
in its capacity as TRUSTEE IN BANKRUPTCY OF
MARIA YUEN-MAI KWONG a.k.a. MARIA KWONG**

PETITIONER

AND:

0744860 B.C. LTD.

RESPONDENT

SERVICE LIST

(as of November 10, 2017)

<p>John McLean QC Gowling WLG (Canada) LLP Suite 2300 – 550 Burrard Street, Bentall 5 Vancouver, BC V6C 2B5</p> <p>Tel: 604.683.6498 Fax: 604.683.3558 Email: John.McLean@gowlingwlg.com</p> <p><i>(counsel for John Combs and Chartell Properties Ltd.)</i></p>	<p>Wayne R. Powell Harrop Phillips Powell & Gray LLP 400 – 110 Cambie Street Vancouver, BC V6B 2M8</p> <p>Tel: 604.688.8211 Fax: 604.688.9539 Email: wpowell@harrop-phillips.com</p> <p><i>(counsel for Gulf & Fraser Fisherman's Credit Union)</i></p>
<p>Mike Jukic Axis Law 1500 – 701 West Georgia Street Vancouver, BC V7Y 1C6</p> <p>Tel: 604.601.8501 Fax: 604.608.4956 Email: mj@axlaw.ca</p> <p><i>(counsel for Thomas Tsang)</i></p>	<p>0744860 B.C. Ltd. 111 W. 3rd Street North Vancouver, BC V7M 1E7</p>

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT

\$ _____

1. THIS IS TO CERTIFY that Boale, Wood & Company Ltd., the Receiver-Manager (the "Receiver") of all of the assets, undertakings and properties of 0744860 B.C. Ltd. (the "Company") acquired for, or used in relation to a business carried on by the Company, including all proceeds thereof (collectively, the "Property") appointed by Order of the Supreme Court of British Columbia (the "Court") dated the ____ day of _____, 201_ (the "Order") made in SCBC Action No. _____ has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded not in advance on the ____ day of each month after the date hereof at a notional rate per annum equal to the rate of ____ per cent above the prime commercial lending rate of Bank _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person (other than the Gulf Mortgage, the Chartell Mortgage, the Combs Mortgage), but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Vancouver, British Columbia.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 201__.

Boale, Wood & Company Ltd., solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

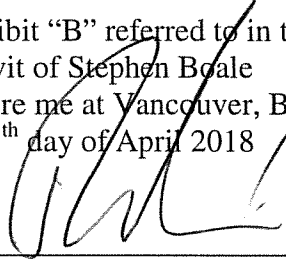
Per: _____

Name: Stephen Boale

Title: Owner

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000091

This is Exhibit "B" referred to in the
affidavit of Stephen Boale
sworn before me at Vancouver, BC
this 27th day of April 2018



A Commissioner for taking Affidavits
for British Columbia

JEREMY D. WEST
Barrister & Solicitor
WATSON GOEPEL LLP
1200 - 1075 W. Georgia Street
Vancouver, B.C. V6E 3C9
Tel: 604-688-1301 Fax: 604-688-8193

OFFER TO PURCHASE
273 LONSDALE AVENUE, NORTH VANCOUVER, BC

DATE: March 19, 2018

BETWEEN: **BEACON PACIFIC PROPERTIES LTD.** (the "Purchaser")

AND: **0744860 BC LTD.** (the "Vendor")

1. BASIC TERMS

The basic terms of this Offer to Purchase are:

- (a) **Address of Purchaser:** c/o Commercial Real Estate Services Inc.
 920 - 475 W. Georgia Street
 Vancouver, BC, V6B 4M9
- Attention: Suki Sekhon
 Telephone: (604) 689-3800
 Email Address: suki@crsgroup.ca
- (b) **Address of Vendor:** c/o Boale, Wood & Company Ltd ("Boale Wood") in
 its capacity of Receiver-Manager of all the assets,
 undertakings and properties of 0744860 B.C. Ltd.
 pursuant to the British Columbia Supreme Court Order
 of Mr. Justice Brundrett dated November 20, 2017
- Attention: Stephen Boale
 Telephone: 604.605.3335
 Email Address: sboale@boalewood.ca
- (c) **Brokerage:** **Cushman & Wakefield ULC**
Address of Brokerage: P.O. Box 10023, Pacific Centre
 Suite 700, 700 West Georgia Street
 Vancouver, British Columbia
 V7Y 1A1
- Attention: Lee Blanchard and Jeff Schatz
 Telephone: 604.640.5838, 604.608.5968
 Email Address: lee.blanchard@ca.cushwake.com,
 jeff.schatz@ca.cushwake.com

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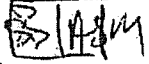

145911/350943

Cushman & Wakefield ULC
 Pacific Centre, PO Box 10023
 Suite 700, 700 West Georgia Street
 Vancouver, BC V7Y 1A1
 (604) 683 3111 Tel
 (604) 683 0432 Fax
 www.cushmanwakefield.com



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- Co-Brokerage** SBU Realty Advisors Ltd.
c/o Cushman & Wakefield ULC
Attention: Sean Ungemach
Telephone: 604.640.5823
Email Address: sean.ungemach@ca.cushwake.com
- (d) **Lands:**
Municipal Address: 273 Lonsdale Avenue, North Vancouver
Legal Description: PID: 015-131-696
Lot 10 Block 140 District Lot 274 Plan 879
- (e) **Sale Price:** Three Million Seven Hundred Fifty Thousand Dollars (\$3,750,000), being the total price for the Property (as defined in section 2)
- (f) **Deposits:**
Initial Deposit: One Hundred Thousand Dollars (\$100,000)
Additional Deposit: Four Hundred Thousand Dollars (\$400,000)
(the Initial Deposit and the Additional Deposit are together referred to as the "Deposit")
- (g) **Deposit To Be Paid In Trust To:** Cushman & Wakefield ULC (the "Deposit Holder")
- (h) **Completion Date:** The later of May 30, 2018 or 30 days following the date that the Vendor gives the Purchaser notice that it has satisfied and is waiving the Vendor's Approval Condition contained in section 10 of this Offer to Purchase, or such other date that is mutually acceptable to the Vendor and the Purchaser
- (i) **Warranty Survival Date:** That day which is ~~360~~ ^{six (6) months} days after the Completion Date 
- (j) **Acceptance Date:** 5:00 pm, May 28, 2018 
- (k) **Purchaser's Condition Waiver Date:** 14 days after the acceptance of this Offer to Purchase
- (l) **Vendor's RFR Condition Waiver Date:** 10 Business Days after ~~Acceptance~~ ^{removal or waiver of the Purchaser's conditions.}

(m) Agency Disclosure:

The Vendor and the Purchaser acknowledge having received, read and understood the brochure published by the British Columbia Real Estate Association entitled *Working With a REALTOR®*.

The Vendor's designated agents are Sean Ungemach, Lee Blanchard and Jeff Schatz. The Vendor has an agency relationship with such licensees who are licensed in relation to the Brokerage and Co-Brokerage and are acting solely on behalf of the Vendor.

The foregoing basic terms are approved by the parties. Any reference in this Offer to Purchase to a basic term shall be construed to include the provision set forth above as well as any additional terms and conditions of this Offer to Purchase where the basic term is more fully set forth.

2. OFFER

The Purchaser hereby offers to purchase from the Vendor all of the Vendor's right, title and interest in the Lands, including all of the Vendor's right, title and interest in all buildings, structures and improvements thereon (collectively the "**Building**"), in all service contracts, equipment leases and other agreements related thereto which under their terms can be assigned to and assumed by the Purchaser (collectively the "**Contracts**"), in all leases, offers to lease and other agreements in the nature of a tenancy or a right to occupy premises (including every addendum, amendment, extension, renewal or supplement thereto or thereof) (collectively, the "**Leases**") and in all chattels, tools, equipment, furniture and other personal property owned by the Vendor, located on the Lands on the date of this Offer to Purchase and used solely or primarily in connection with the operation of the Lands and the Building (the "**Equipment**"), free and clear of all liens, charges, encumbrances, save and except for the charges and encumbrances listed in Schedule A attached hereto (the "**Permitted Encumbrances**"), for the Sale Price and upon the terms and conditions herein set forth. The Lands, the Building, the Leases, the Contracts and the Equipment are herein collectively called the "**Property**".

3. SALE PRICE

The Sale Price for the Property will be paid by the Purchaser to the Vendor or its nominee as follows:

- (a) by payment of the Initial Deposit by the Purchaser to the Deposit Holder forthwith upon acceptance by the Vendor of this Offer to Purchase, to be deposited and held by the Deposit Holder in trust in an interest bearing account as a stakeholder on behalf of the parties, pending completion of the sale and purchase of the Property or other termination of this Offer to Purchase;
- (b) by payment of the Additional Deposit by the Purchaser to the Deposit Holder forthwith upon the satisfaction or waiver of the RFR Condition (as defined in section 10, to be deposited and held by the Deposit Holder in trust in an interest bearing account as a stakeholder on behalf of the parties, pending completion of the

- 4 -

sale and purchase of the Property or other termination of this Offer to Purchase;
and

- (c) by payment of the balance of the Sale Price, subject to adjustment as provided in section 14, by payment of such amount by the Purchaser to the Vendor or its nominee on the Completion Date in accordance with the provisions of this Offer to Purchase.

The Deposit will be credited to the Sale Price and will be paid to the Vendor if the sale and purchase is completed in accordance with the terms hereof. The Deposit paid, together with all interest accrued thereon, will be forfeited to the Vendor if the Purchaser is in default of its obligation to complete the sale and purchase of the Property hereunder as liquidated damages (the parties hereby agreeing that such amount constitutes a genuine pre-estimate of damages) and as the Vendor's sole and exclusive remedy, or will be paid in full to the Purchaser, without prejudice to any other right or remedy of the Purchaser, in the event that the Purchaser elects to terminate this Offer to Purchase due to the Vendor being in default of its obligation to complete the sale and purchase of the Property hereunder.

4. **ALLOCATION OF SALE PRICE**

The parties will use reasonable efforts to agree upon an allocation of the Sale Price between the Lands, the Building, the Equipment and the other components of the Property prior to the Completion Date, but failure to agree upon the same will not affect the enforceability of this Offer to Purchase.

5. **PURCHASER'S CONDITIONS PRECEDENT**

~~Deleted Intentionally.~~ See Schedule B

6. **PURCHASER'S DUE DILIGENCE**

Deleted Intentionally.

7. **SITE PROFILE**

The Purchaser hereby waives any requirement for the Vendor to provide to the Purchaser a "site profile" for the Property under the *Environmental Management Act* (British Columbia) or any regulation in respect thereto.

8. **VENDOR'S COVENANTS**

The Vendor covenants and agrees with the Purchaser that the Boale Wood will:

- (a) execute, or cause to be executed, and return to the Purchaser or the Purchaser's solicitors as soon as is reasonably possible all consents or letters of authority which have been prepared by or on behalf of the Purchaser and which it may be necessary for the Vendor to execute in order for the Purchaser to conduct such due diligence searches or cause such inspections or tests to be made with respect to the purchase of the Property as are in accordance with standard real estate practice in the Province of British Columbia and as are reasonably required in order to assure the

Purchaser that it will be acquiring the Property free and clear of all liens, charges and encumbrances save and except for the Permitted Encumbrances;

- (b) carry on its business at the Lands and the Building in the ordinary course, and cause the Lands, the Building and the Equipment to be properly kept, repaired, maintained and insured at the Vendor's cost and expense so that, on the Completion Date, the Purchaser will acquire the same in substantially the same condition and state of repair as of the date of this Offer to Purchase, subject to reasonable wear and tear and save as otherwise provided for herein;
- (c) from and after the satisfaction or waiver by the Purchaser of the Purchaser's Conditions, not enter into any new offer to lease, lease or other occupancy agreement in respect of the Lands or the Building or any part thereof, not modify the Leases and not enter into any financial commitments for the Property which would be binding upon the Purchaser without the prior written consent of the Purchaser (which consent may be arbitrarily withheld); and
- (d) terminate (with effect prior to the Completion Date) all Contracts which are not assignable to and assumable by the Purchaser as well as any property management agreement.
- (e) terminate the Victor Anderson's Pharmacy (1977) Ltd. Aka Anderson's Pharmacy (1977) Ltd. Lease and ensure the premises are left in a neat and tidy manner.
- (f) terminate any second floor leases prior to the Completion Date and ensure the premises are left in a neat and tidy manner.

9. REPRESENTATIONS AND WARRANTIES

The Vendor hereby makes the representations and warranties set out in Schedule C attached hereto.

10. VENDOR'S CONDITIONS PRECEDENT

- (a) The Purchaser acknowledges and agrees that the Vendor's interest in the Property is subject to a right of first refusal (the "RFR") granted by the Vendor as "Landlord" to Victor Anderson's Pharmacy (1997) Ltd. a.k.a. Anderson's Pharmacy (1977) Ltd. as "Tenant" (the "Offeree"), pursuant to a lease agreement between the Vendor and the Offeree dated April 1, 2014, the relevant section stating as follows:

11. Right of First Refusal for the Purchase of the Land and Building

Landlord will grant the Tenant Right of First Refusal on the purchase of the building and land. If a qualified offer is received, the Tenant must match the offer received with its written terms and conditions. The response time period would be within five (5) business days of receipt of the qualified offer by the Tenant. If the Tenant does not exercise the Right of First Refusal within the five (5) business days, by presenting a written response to the Landlord, the Right of First Refusal would be forfeited.

The Purchaser acknowledges and agrees that the Vendor's acceptance of this offer is expressly subject to and conditional upon the RFR expiring, being forfeited, or waived by the Offeree (the "RFR Condition") by the Vendor's RFR Condition Waiver Date.

(b) The Purchaser further acknowledges and agrees as follows:

- (i) the Vendor has executed this Offer to Purchase by power and authority of Boale, Wood in its capacity as Receiver-Manager of 0744860 B.C. Ltd; and
- (ii) Boale, Wood acts in the capacity of Receiver-Manager of all the assets, undertakings and properties of 0744860 B.C. Ltd. pursuant to the British Columbia Supreme Court Order of Mr. Justice Brundrett dated November 20, 2017, attached as Schedule D.

ASM

waived or removed the Purchaser's Conditions and
The Purchaser acknowledges and agrees that the Vendor's obligation to complete the sale of the Property on the Completion Date is expressly subject to and conditional upon the Supreme Court of British Columbia approving this Offer to Purchase and the transactions contemplated herein (the "Approval Condition") within 21 days after the Purchaser has paid the Initial Deposit in accordance with the terms of this Offer to Purchase.

ASM

obligation to complete the sale of the Property on the Completion Date

(e) ASM Additional
Notwithstanding Section 8 of the Purchaser acknowledges and agrees that the Vendor's acceptance of this Offer to Purchase is expressly subject to and conditional upon the Vendor terminating the lease between the Vendor and Victor Anderson's Pharmacy (1977) Ltd., a.k.a. Anderson's Pharmacy (1977) Ltd. dated April 1, 2014 (the "Tenancy Condition") within 21 days after the Purchaser has paid the Initial Deposit in accordance with the terms of this Offer to Purchase.

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Deposit

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waived or removed the Purchaser's Conditions and paid the Additional Deposit
The RFR Condition, the Tenancy Condition and the Approval Condition are for the sole benefit of the Vendor.

If the Vendor fails to notify the Purchaser, in writing, that the RFR Condition, the Tenancy Condition and the Approval Condition have been satisfied or waived within the specified time periods, or by any such time as may be subsequently agreed, then this Offer to Purchase will become null and void.

ASM

11. PURCHASER'S ACKNOWLEDGMENTS AND COVENANTS

The Purchaser acknowledges and agrees as follows:

- (a) for purposes of this Offer to Purchase and the transactions contemplated herein, Boale, Wood acts only in the capacity of Receiver-Manager of 0744860 B.C. Ltd. and in no other capacity.
- (b) the Purchaser accepts the Property "as is, where is" as of the Completion Date and saves the Vendor and Boale, Wood harmless from all claims resulting from or relating to the age, fitness, condition, zoning, lawful use, or circumstances and

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location of the Property and all claims resulting from or relating to the validity or enforceability of any rights regarding the Property, and agrees to accept the Property subject to any outstanding work orders or notices or infractions as of the Completion Date and subject to the existing municipal or other governmental by-laws, restrictions or orders affecting its use, including subdivision agreements and easements.

- (c) the Purchaser acknowledges and agrees that except for the representations and warranties set out in Schedule C, neither the Vendor nor Boale, Wood makes any representations or warranties whatsoever with respect to the Property. The Purchaser acknowledges and agrees that it has relied entirely upon its own inspection and investigation with respect to quantity, quality and value of the Property.
- (d) the Purchaser acknowledges and agrees that the assets to be purchased under this Offer to Purchase do not include any personal property or chattels and that any personal property or chattels remaining in the premises on the Property which are taken by the Purchaser are taken by it at its own risk completely, without representation or warranty of any kind from the Vendor or Boale, Wood as to the ownership or state of repair of any such personal property or chattels.
- (e) the Vendor and Boale, Wood are not and will not be liable to the Purchaser nor to anyone claiming by, through or under the Purchaser for any damages, costs or expenses for damage caused to the Property by the registered owner(s) of the Property or his tenants, guests, assigns, agents or by persons unknown.
- (f) no property condition disclosure statement concerning the Property forms part of this Contract whether or not such a statement is attached to it; and
- (g) all references to Boale, Wood refer to Boale, Wood & Company Ltd. in its capacity as Receiver-Manager of 0744860 B.C. Ltd. and in no other capacity.

12. GOODS AND SERVICES TAX

The Purchaser confirms that it will be registered on the Completion Date with Canada Revenue Agency or any successor thereto ("CRA") in compliance with Part IX of the *Excise Tax Act (Canada)* relating to the federal goods and services tax (the "GST"). The Sale Price does not include GST and the Purchaser confirms that it will be responsible for any GST payable with respect to the subject transaction, will account directly to CRA with respect thereto and will confirm its GST registration number to the Vendor on the Completion Date by providing a signed certificate in the customary form.

The Purchaser will indemnify and save harmless the Vendor from and against any and all GST, penalties, costs and/or interest which may become payable by or assessed against the Vendor as a result of any failure by the Purchaser to comply with the foregoing and such indemnity will survive and not merge upon closing of the sale of the Property contemplated herein.

13. COMPLETION DATE

The sale and purchase of the Property will be completed on the Completion Date.

14. ADJUSTMENTS

- (a) Adjustment Date. Adjustments for the Property will be made as of the Completion Date and the payment due pursuant to subsection 3(c) will be adjusted accordingly. Except as otherwise provided in this Offer to Purchase, the Vendor will be responsible for all expenses and will be entitled to all revenues accrued with respect to the Property for the period ending on the day before the Completion Date and, for the period from and including the Completion Date, the Purchaser will be responsible for all expenses and will be entitled to all revenues accruing with respect to the Property.
- (b) Adjustment Items. The adjustments with respect to the Leases will include all current rents (including current basic rent, current additional rent, current percentage rent and other current charges), prepaid rents and other prepaid charges, security deposits and all other items normally adjusted between a vendor and purchaser in respect of the sale of property similar to the Property. The amount payable by a tenant in respect of percentage rent will be adjusted between the Vendor and the Purchaser based on a pro rata sharing of the Sales for the full calendar year in which the Completion Date occurs calculated when the appropriate information is available as part of the readjustment provided for in accordance with subsection 14(d). "Sales" means the sale proceeds and/or revenue referred to in the respective Leases as the basis for the calculation of percentage rent.
- (c) Statement of Adjustments. A Statement of Adjustments will be delivered to the Purchaser by the Vendor at least five (5) business days prior to the Completion Date and shall have annexed to it details of the calculations used to arrive at all debits and credits on the Statement of Adjustments. The Vendor will give the Purchaser and its representatives reasonable access to all working papers and back-up materials in order to verify the Statement of Adjustments.
- (d) Readjustment. If the final cost or amount of an item which is to be adjusted has not been determined as of the Completion Date, then an initial calculation or adjustment for such item shall be made as of the Completion Date, such amount to be estimated by the Vendor and agreed to by the Purchaser, each acting reasonably, as of the Completion Date on the basis of the best evidence available at the Completion Date as to what the final cost or amount of such item will be. In each case, when such cost or amount is determined (such determination to be made as soon as possible and in any event prior to that day which is one year after the Completion Date), the Purchaser will, within 30 days of determination, provide a complete statement thereof to the Vendor and, within 30 days thereafter, the Vendor and the Purchaser will make a final adjustment as of the Completion Date for the item in question. In the absence of agreement by the parties, the final cost or amount of an item shall be determined by independent auditors, acceptable to the Vendor and the Purchaser, acting reasonably, with the cost of such auditors' determination being shared equally between the Vendor and the Purchaser. On closing, the parties will execute

an undertaking to further adjust between themselves to confirm the agreement set out in this section 14.

- (e) Commissions, Tenant Inducements and Landlord's Work. With respect to any Lease (including a binding offer to lease) entered into prior to the Vendor's acceptance of this Offer to Purchase, the Vendor will be responsible for the payment of 100% of all third party leasing commissions whether payable or accrued before or after the Vendor's acceptance of this Offer to Purchase, of all tenant inducements and allowances, including lease take-over obligations and free rent, payable or accrued with respect to such Lease, and of all costs and expenses of any landlord's work or improvements pursuant to such Lease, provided that the agreement to pay or carry out such commissions, tenant inducements and allowances and work or improvements was entered into by the Vendor or by any other person on the Vendor's behalf. To the extent that any such leasing commissions, tenant inducements and allowances, free rent and costs of landlord's work or improvements for which the Vendor is responsible have not been paid by the Vendor as of the Completion Date (and the transaction contemplated hereunder is completed), the Purchaser will be credited with respect thereto on the Statement of Adjustments. In the event a new Lease is entered into after the Vendor's acceptance of this Offer to Purchase and before the Completion Date, the Purchaser will be responsible for the payment of 100% of all third party leasing commissions, tenant inducements and allowances, lease takeover obligations and free rent, payable or accrued with respect to such Lease, costs and expenses of any landlord's work or improvements pursuant to such Lease and the Purchaser will not receive any credit with respect thereto on the Statement of Adjustments.
- (f) Tenant Receivables. Any rental arrears and accounts receivable and any other claims against a tenant payable or accrued prior to the Completion Date and unpaid on the Completion Date (the "Tenant Receivables") will remain the property of the Vendor and there will be no adjustment in favour of the Vendor on the Statement of Adjustments for such amounts. Any amount of rent received or collected by the Purchaser or the Vendor after the Completion Date from a tenant that owes Tenant Receivables to the Vendor will be credited, first, to current month's rent, second, to any arrears of rent owing and accruing from and after the Completion Date, and third, to any Tenant Receivables owed to the Vendor.

15. RISK

The Property will be and remain at the Vendor's risk until the Vesting Order (as defined in paragraph 17(a)(i)) is filed for registration in the applicable Land Title Office, and the Vendor will hold all insurance policies and the proceeds thereof in trust for the parties as their respective interest may appear pending the Completion Date. Notwithstanding the foregoing, if the Property or any material part thereof is destroyed or expropriated prior to the Completion Date, the Purchaser will have the option in its sole discretion of completing the sale and purchase and accepting from the Vendor an assignment of the proceeds of insurance (and an adjustment to the Sale Price in an amount equal to the deductible under the relevant insurance policy) or expropriation award or other compensation as well as the balance of the Property, or of not completing the sale and purchase (in which case the

Deposit paid, together with all accrued interest thereon, will be returned to the Purchaser forthwith and the parties will have no further obligations hereunder except for the obligation of the Purchaser to maintain the confidentiality of all disclosed documents and instruments delivered to it, to return all copies of such documents and instruments and to indemnify the Vendor and/or tenants of the Property as contemplated in section 6).

16. POSSESSION

The Purchaser will have possession of the Lands and Building free and clear of all charges, liens and encumbrances save for the Permitted Encumbrances immediately upon completion of the sale and purchase of the Property.

17. DELIVERY OF CLOSING DOCUMENTS

- (a) On or before the Completion Date, the Vendor will cause the Vendor's solicitors to deliver to the Purchaser's solicitors the following items, duly executed by the Vendor and in registrable form whenever appropriate, to be dealt with in accordance with section 18:
- (i) a certified copy of a court order (the "Vesting Order") of the British Columbia Supreme Court vesting title to the Lands in the name of the Purchaser;
 - (ii) a signed letter from the Vendor's solicitor authorizing registration of the Vesting Order with the appropriate Land Title Office;
 - (iii) a Vendor's Statement of Adjustments;
 - (iv) an assignment and assumption agreement in respect of all Contracts and guarantees thereof to the extent being assigned to and assumed by the Purchaser;
 - (v) an assignment and assumption agreement in respect of all Leases and guarantees thereof;
 - (vi) directions to all tenants of the Property directing the tenants to pay future rentals to the Purchaser or as directed by the Purchaser;
 - (vii) an updated rent roll containing current information referred to in section 6;
 - (viii) an assignment of any subsisting warranties or guarantees in respect of the Equipment and in respect of the Lands and the Building and any work performed in respect thereof;
 - (ix) a certificate of the Vendor, dated as of the Completion Date, that certifies that the Vendor has complied with all its obligations under this Offer to Purchase in all material respects and that each of the warranties and representations of the Vendor set out herein is true and accurate on the Completion Date in all material respects; and

- (x) such further deeds, acts, things, certificates and assurances as may be requisite in the reasonable opinion of the Purchaser's solicitors and the Vendor's solicitors for more perfectly and absolutely assigning, transferring, conveying and assuring to and vesting in the Purchaser, title to the Property free and clear of any lien, charge, encumbrance or legal notation other than the Permitted Encumbrances as contemplated herein.

- (xi) and Estoppel Certificate ~~in the form attached hereto~~ from Starbucks Coffee Canada Inc. *or a Statutory declaration from the Vendor (Boale, Wood) in an agreed form.*

(h)

All documents referred to in subsection 17(a) will be prepared by the Purchaser's solicitors to the extent that preparation is required (except for the Vendor's Statement of Adjustments, which will be prepared by the Vendor or its solicitors pursuant to subsection 14(c)), in a form reasonably satisfactory to the Purchaser and the Vendor and, where applicable, in a form suitable for registration in the appropriate offices of public record. The Vendor and the Purchaser will each deliver to or cause to be delivered to the other all such further documents and assurances as may be reasonably required to give full effect to the intent and meaning hereof.

(c)

As soon as reasonably possible after the completion of the sale and purchase of the Property, the Vendor will deliver to the Purchaser the following (to the extent that such items have not previously been delivered to the Purchaser and are in the Vendor's possession or control):

Boale, Wood's

- (i) true copies of the Leases;
- (ii) true copies of the Contracts to be assigned to and assumed by the Purchaser;
- (iii) all keys and like devices for the Building including, without limitation, master keys to all rentable space located within the Building;
- (iv) All plans and reports relating to the lands; and
- (v) any correspondence with the Tenant (Starbucks Coffee Canada Ltd.) in the last 360 days

18. CLOSING PROCEDURE

- (a) On or before the Completion Date, the Purchaser will pay to the Purchaser's solicitors in trust the amount provided for in subsection 3(c) of this Offer to Purchase, less the amount to be advanced to the Purchaser on the Completion Date under any mortgage financing arranged by the Purchaser.
- (b) Forthwith following receipt by the Purchaser's solicitors of the payment pursuant to subsection 18(a) and the documents and items referred to in subsection 17(a), the Purchaser will cause the Purchaser's solicitors to file the Vesting Order in the appropriate Land Title Office on the Completion Date concurrently with any

security documents applicable to any mortgage financing arranged by the Purchaser in connection with the purchase of the Property.

- (c) Forthwith following the filing referred to in subsection 18(b) and upon the Purchaser's solicitors being satisfied as to the Purchaser's pending title to the Lands after conducting a post filing registration check of the property index disclosing only the following:
 - (i) the existing title number(s) to the Lands;
 - (ii) the Permitted Encumbrances;
 - (iii) pending number(s) assigned to the Vesting Order;
 - (iv) pending numbers assigned to any charges granted by the Purchaser including any security documents applicable to any mortgage financing arranged by the Purchaser in connection with the purchase of the Property; and
 - (v) any charges with respect to which the Vendor's solicitors have extended satisfactory undertakings regarding the discharge and release of the same;

the Purchaser will cause the Purchaser's solicitors, forthwith upon receipt by them of the proceeds of any mortgage financing arranged by the Purchaser in connection with the sale and purchase of the Property, to deliver to the Vendor's solicitors on the Completion Date the certificate referred to in section 10, executed by the Purchaser, any document referred to in subsection 17(a) which has not previously been provided to the Vendor in a form executed by the Purchaser, executed by the Purchaser, and a trust cheque for the balance due to the Vendor pursuant to subsection 3(c), and to instruct the Deposit Holder to release the Deposit to the Vendor or the Vendor's solicitors and all accrued interest on the Deposit to the Purchaser.

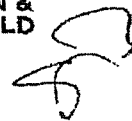
19. DISCHARGE OF VENDOR'S ENCUMBRANCES

The Purchaser acknowledges and agrees that if the Vendor's title to the Property is subject to any financial encumbrance which the Vendor is required to discharge pursuant to this Offer to Purchase, the Vendor will not be required to clear title prior to the receipt of the net sales proceeds but will be obligated to do so within a reasonable time following closing and the Purchaser will pay, or cause its solicitors to pay the balance of the adjusted Sale Price to the Vendor's solicitors in trust on their undertaking to discharge any such financial encumbrance from the adjusted Sale Price and obtain and register a discharge thereof within a reasonable time.

20. FEES AND EXPENSES

Intentionally deleted

ARM



21. TENDER

Any tender of documents or money pursuant to this Offer to Purchase may be made upon the solicitor or notary public acting for the party on whom tender is desired, and it will be sufficient that a certified or trust account cheque is tendered instead of cash.

22. ENTIRE AGREEMENT

This Offer to Purchase (including the Schedules attached hereto) constitutes the entire agreement between the parties in respect of the Property, and it is understood and agreed that there are no representations, warranties or guarantees or promises affecting the Property or this Offer to Purchase except for those contained herein. It is further understood and agreed that there are no covenants, agreements, collateral agreements or conditions affecting the Property or this Offer to Purchase other than as expressed in writing in this Offer to Purchase.

23. TIME

Time shall be of the essence hereof.

24. NOTICES

Any notices, requests or demands which may or are required to be given or made hereunder will be in writing and served personally, faxed or e-mailed as follows:

- (a) if to the Purchaser, to the address, fax number or e-mail address and to the person set out in subsection 1(a);
- (b) and if to the Vendor, to the address, fax number or e-mail address and to the person set out in subsection 1(b); and
- (c) with copies to the Brokerage at the address, fax number or e-mail address and to the person set out in subsection 1(c);

provided that either party may change its address, fax number or e-mail address by written notice to the other and in such event this section will be deemed to be amended accordingly. Any notice, request or demand given or made hereunder by personal delivery, fax or e-mail will be conclusively deemed to have been given or made on the day it is actually delivered, faxed or e-mailed unless it is delivered, faxed or e-mailed after 5:00 p.m. (Vancouver time) or on a day other than a business day, in which case it will be deemed to have been given or made on the next business day.

25. INDEPENDENT EXPERT ADVICE

Each of the Purchaser and the Vendor acknowledges and agrees that the real estate agents and brokerages involved in the transaction contemplated in this Offer to Purchase have been retained solely to provide real estate services and not as lawyers, tax advisors, lenders, certified appraisers, surveyors, structural engineers, building inspectors or other professional service providers and that it has been afforded the opportunity to seek other independent expert advice prior to its execution of this Offer to Purchase.

26. GOVERNING LAW

This Offer to Purchase and the agreement resulting therefrom will be construed according to and governed by the laws of the Province of British Columbia.

27. BINDING EFFECT

This Offer to Purchase will enure to the benefit of and be binding upon the Vendor and the Purchaser and their representative administrators, successors and permitted assigns.

28. BUSINESS DAY

- (a) In this Offer to Purchase, "business day" means a day other than a Saturday, Sunday or statutory holiday in British Columbia.
- (b) If the date for the performance of any act or thing falls on a day which is a Saturday, Sunday or statutory holiday in British Columbia, then the date for the performance of such act or thing will be extended to the next business day.

29. JOINT AND SEVERAL

If either the Vendor or the Purchaser is comprised of more than one party, then all of the covenants, agreements, representations and warranties of each of the parties comprising the Vendor or the Purchaser, as the case may be, will be joint and several covenants, agreements, representations and warranties.

30. EXECUTION BY ELECTRONIC MEANS

This Offer to Purchase may be executed by the parties and transmitted by fax or other electronic means and if so executed and transmitted this Offer to Purchase will be for all purposes as effective as if the parties had delivered an executed original Offer to Purchase.

31. EXECUTION IN COUNTERPARTS

This Offer to Purchase may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

32. NO ASSIGNMENT

This Offer to Purchase cannot be assigned by the Purchaser without the prior written consent of the Vendor, such consent not to be unreasonably withheld. Notwithstanding the foregoing, the Vendor agrees that the Purchaser will be entitled, without the consent of the Vendor, to assign this Offer to Purchase to an affiliate (as defined in the *British Columbia Business Corporations Act*). In connection with any such assignment of this Offer to Purchase, the Purchaser must deliver to the Vendor, prior to such assignment becoming effective, a written agreement executed by the assignee and the Purchaser in favour of the Vendor wherein the assignee agrees to observe and perform all of the Purchaser's



- 15 -

obligations under this Offer to Purchase and the Purchaser acknowledges that the assignment does not release the Purchaser from its obligations under this Offer to Purchase.

33. OFFER

This Offer to Purchase is irrevocable and open for acceptance by the Vendor, in the manner indicated below, until but not after 5:00 p.m. Vancouver local time on the Acceptance Date, and if not accepted on or before such time and date will be absolutely null and void. This Offer to Purchase may be accepted by the Vendor executing this Offer to Purchase and returning same to the Purchaser, and when accepted, this Offer to Purchase will constitute a binding agreement of sale and purchase of the Property in accordance with the terms hereof.

The Purchaser has executed this Offer to Purchase this 23 day of March, 2018.

PURCHASER:

BEACON PACIFIC PROPERTIES LTD.

Per:

Ajeet S. Manhas
(Authorized Signatory)

Ajeet S. Manhas President.
(Name & Title)

VENDOR'S ACCEPTANCE

In consideration of the Purchaser paying the Initial Deposit to the Deposit Holder as provided in subsection 3(a), and in further consideration of the covenants and agreements of the Purchaser contained in this Offer to Purchase, the Vendor hereby accepts the Purchaser's offer herein and agrees to sell the Property to the Purchaser in accordance with the terms of this Offer to Purchase.

IN WITNESS WHEREOF the Vendor has executed this Offer to Purchase this 28 day of March, 2018.

VENDOR:

0744860 BC LTD.

Per:

Stephen Boale
Boale, Wood & Company Ltd. in its capacity of Receiver-Manager of all the assets, undertakings and properties of 0744860 B.C. Ltd. pursuant to the British Columbia Supreme Court Order of Mr. Justice Brundrett dated November 20, 2017

Stephen Boale
(Name & Title)

000031

SCHEDULE A

PERMITTED ENCUMBRANCES

The Property is subject to the following Permitted Encumbrances:

Charges, Liens and Interests

Nature:
Registration Number:
Registration Date and Time:
Registered Owner:
Remarks:

COVENANT

R24033
1987-03-20 14:49
THE CORPORATION OF THE CITY OF NORTH VANCOUVER
INCLUDES INDEMNITY UNDER S. 215(2)(A)
LAND TITLE ACT

1.

ASW



TITLE SEARCH PRINT

File Reference:

2017-11-21, 13:09:11

Declared Value \$613000

Requestor: Andrea Welburn

CURRENT INFORMATION ONLY NO CANCELLED INFORMATION SHOWN

Land Title District	VANCOUVER
Land Title Office	VANCOUVER
Title Number	BA77155
From Title Number	H55008
Application Received	2006-03-20
Application Entered	2006-03-23
Registered Owner in Fee Simple	
Registered Owner/Mailing Address:	0744860 B.C. LTD., INC.NO. 0744860 273 LONSDALE AVENUE NORTH VANCOUVER, BC V7M 2E9
Taxation Authority	North Vancouver, The Corporation of the City of
Description of Land	
Parcel Identifier:	015-131-696
Legal Description:	LOT 10 BLOCK 140 DISTRICT LOT 274 PLAN 879
Legal Notations	
	HERETO IS ANNEXED EASEMENT R21450 OVER PART OF LOT A PLAN 16270 AS SHOWN ON EXPLANATORY PLAN 16433
Charges, Liens and Interests	
Nature:	COVENANT
Registration Number:	R24033
Registration Date and Time:	1987-03-20 14:49
Registered Owner:	THE CORPORATION OF THE CITY OF NORTH VANCOUVER
Remarks:	INCLUDES INDEMNITY UNDER S. 21.5(2)(A) LAND TITLE ACT
Nature:	MORTGAGE
Registration Number:	CA3401722
Registration Date and Time:	2013-10-15 10:02
Registered Owner:	GULF AND FRASER FISHERMEN'S CREDIT UNION INCORPORATION NO. F1-95

Title Number: BA77155

TITLE SEARCH PRINT

Page 1 of 2

TITLE SEARCH PRINT

2017-11-21, 13:09:11

File Reference:

Requestor: Andrea Welburn

Declared Value \$613000

Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA3481723
Registration Date and Time:	2013-10-15 10:02
Registered Owner:	GULF AND FRASER FISHERMEN'S CREDIT UNION INCORPORATION NO. FI-95

Nature:	MORTGAGE
Registration Number:	CA5781118
Registration Date and Time:	2017-01-23 14:37
Registered Owner:	CHARTELL PROPERTIES LTD. INCORPORATION NO. BC0349398

Nature:	CERTIFICATE OF PENDING LITIGATION
Registration Number:	CA5999051
Registration Date and Time:	2017-05-16 14:38
Registered Owner:	THOMAS HIN KEUNG TSANG
Remarks:	INTER ALIA

Nature:	CERTIFICATE OF PENDING LITIGATION
Registration Number:	CA6381556
Registration Date and Time:	2017-10-19 10:00
Registered Owner:	JOHN W. COMBS

Duplicate Indefeasible Title NONE OUTSTANDING

Transfers NONE

Pending Applications NONE

AS m



SD/AS

SCHEDULE B

Purchaser's ~~CONDITIONS PRECEDENT~~

1. PURCHASER'S CONDITIONS

The obligation of the Purchaser to complete the purchase of the Property on the Completion Date is subject to and conditional upon the following conditions precedent (the "Purchaser's Conditions") being satisfied or waived not later than 5:00 p.m. (Vancouver time) on the Purchaser's Condition Waiver Date, namely:

- (a) the Purchaser receiving an environmental report of the Lands and the Building, which is satisfactory to the Purchaser in its sole discretion;

The Purchaser's Condition is for the sole benefit of the Purchaser and may be unilaterally waived in writing in whole or in part by the Purchaser at any time up to and including the time specified above. If the Purchaser fails to notify the Vendor in writing of the satisfaction or waiver of all of the Purchaser's Conditions by the time specified above, this Offer to Purchase will be null and void. In such event, the Deposit Holder is hereby irrevocably directed by the Vendor and the Purchaser to forthwith repay the Initial Deposit and accrued interest, in full, to the Purchaser without deduction save for the sum of Ten Dollars (\$10.00) (which will be retained by the Vendor in any event as consideration for the Vendor agreeing to not revoke or withdraw this Offer to Purchase prior to the time specified above, except as may be permitted pursuant to any other provision included in this Schedule B), and thereafter neither party will have any further obligations to the other hereunder, except for the obligation of the Purchaser to maintain the confidentiality of all disclosed documents and instruments delivered to it, to return all copies of such documents and instruments and to indemnify the Vendor and/or tenants of the Lands or Building as set out in section 6 of this Offer to Purchase. The Vendor and the Purchaser will each promptly (and, in any event, within five days of this Offer to Purchase becoming null and void) execute and deliver such written agreement of both parties as is required by the Deposit Holder in order for it to repay the Initial Deposit and accrued interest, in full, to the Purchaser in accordance with this paragraph. ~~If both parties do not sign such written agreement to release the Initial Deposit and accrued interest, then the parties will have to apply to Court for a determination of the deposit issue.~~

SD/AS

AS M
[Signature]

AS M

[Signature]

SCHEDULE C

REPRESENTATIONS AND WARRANTIES

(a) Vendor's Representations

to the best of Bowle, Wood's knowledge without further inquiry
 The Vendor hereby represents and warrants to and in favour of the Purchaser that as of the date of this Agreement and as of the Closing Date:

- (i) Authorization. This Agreement and the obligations of the Vendor hereunder and each of the agreements, transfers, assignments and other documents entered into by the Vendor pursuant hereto (including without limitation, the Closing Documents), and the Transaction contemplated herein, have been duly and validly authorized by all requisite proceedings of the Vendor and constitute (or will constitute on Closing, in the case of Closing Documents) legal, valid and binding obligations of the Vendor enforceable against the Vendor in accordance with its and their terms;
- (ii) Residency. It is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);
- (iii) Employees. There are no employees in respect of which the Purchaser will incur any liabilities as a result of completion of the Transaction;
- (iv) No Options. Except for the Purchaser under this Agreement, no Person has any written or oral agreement, option, understanding or commitment, or any right (including a right of first refusal or other purchase right) or privilege capable of becoming such for the purchase or other acquisition of the Subject Assets other than outlined in Article 10(a);
- (v) No Notice of Expropriation. The Vendor has not received written notice of any pending or threatened expropriation proceedings relating to the Property or any part thereof;
- (vi) No Notice of Non-Compliance. To the Vendor's knowledge and belief, except as Disclosed to the Purchaser, no written notice has been received by the Vendor which remains outstanding from any Governmental Authority advising of any defects in the construction of any Building, or relating to any work order, deficiency or non-compliance with any building restrictions, zoning by-laws, fire codes, environmental legislation, other regulations or Applicable Laws in respect of the Property;
- (vii) No Builder's Lien. As at Closing, no Person will have a right to claim or file a construction, builders, mechanics or similar lien against the Subject Assets or any part thereof (the Vendor nevertheless acknowledging that if

any such lien is claimed or filed, the Vendor shall be responsible at its sole expense for removing or vacating same);

- (viii) No Litigation. Except as Disclosed herein to the Purchaser, to the Vendor's knowledge and belief, there is no litigation or proceeding, including appeals and applications for review, in progress, against, relating to or affecting the Subject Assets before any domestic court, governmental department, commission, board, bureau or agency, or arbitration panel, and there is not presently outstanding against it, or the Property any judgment, decree, injunction, rule or order of any court, governmental department, commission, agency or arbitrator which adversely affects the Subject Assets;
- (ix) Environmental. Except as Disclosed to the Purchaser and to the Vendor's knowledge and belief:
- A. The Vendor has not received written notice of any Claims or any administrative or judicial judgments, orders or decrees that relate to violations of Environmental Laws with respect to the Property or any part thereof or to the release, discharge, emission or disposal of Hazardous Materials on, to, from or under the Property;
- (x) Expropriation. Except as Disclosed to the Purchaser, the Vendor has not received written notice of any pending or threatened expropriation proceedings relating to the Property;
- (xi) Leases. With respect to the Leases, as of the Closing Date:
- A. the Leases will be the only agreements to lease or sublease, leases, subleases, renewals of leases or subleases or other rights, licences or agreements granted by or on behalf of the Vendor, or to the Vendor's knowledge and belief its predecessors in interest as owner of the Property, which entitle any Person to possess or occupy any portion of the Property;
- B. to the Vendor's knowledge and belief, the Leases are in full force and effect, and the Vendor has not received any written notice of default with respect to any default by the Vendor which is still outstanding under any obligation required to be observed or performed by it (or by any predecessor in interest to it in the Leases) under the Leases;
- C. the Vendor has not received any written notice from any Tenants that it intends to breach its Lease;
- D. to the knowledge and belief of the Vendor, the Tenants under the Leases are not in any continuing or material default of any of their obligations under their respective Leases; and

ASM

SM

- E. except as Disclosed to the Purchaser, there are no unpaid real estate or leasing commissions that have accrued and are payable to which any Person is entitled with respect to the Property or in respect of any Leases payable by the Vendor;
- (xii) Books and Records. To the knowledge and belief of the Vendor, all material financial transactions relating to the Property have been accurately recorded in the books, records, financial statements and operating statements for the Property disclosed by the Vendor to the Purchaser hereunder, such financial statements have been prepared in accordance with recognized Canadian accounting principles, and the financial statements fairly present the results of the operation of the Property in all material respects for the periods indicated;
- (xiii) Unregistered Agreements. To the knowledge of the Vendor, there are no unregistered encroachments, easements, rights-of-way or restrictive covenants running with the Lands or affecting the title to the Lands, other than the Permitted Encumbrances; and

Capital Expenses. Except as Disclosed to the Purchaser in the Property Information, the Vendor does not have any obligations to complete or commence any capital improvements or incur any other capital expenditures in respect of the Property;

ASW

(b) Survival of Representations and Covenants

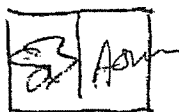
Six (6)

The representations, warranties, and certifications contained in this Agreement or in any Closing Documents and the Surviving Covenants shall not merge on Closing and, shall survive until the expiry of ~~twelve (12)~~ months following the Closing Date (the "Survival Period"). The party which has received a representation, warranty or certification, whether in this Agreement or in any Closing Document, or in whose favour a Surviving Covenant was made, shall give written notice to the other party of each breach of the representation, warranty, certification or Surviving Covenant, together with details thereof, within a reasonable time after becoming aware of the breach and in any event no later than the last day of the Survival Period. Notwithstanding any other provision of this Agreement or any of the Closing Documents, no Claim may be asserted or pursued against any party hereto, or any action, suit or other proceedings commenced or pursued, for or in respect of any breach of any representation, warranty or certification made by such party in this Agreement or in any Closing Document or for or in respect of any Surviving Covenant unless written notice of such Claim is received by such party describing in detail the facts and circumstances with respect to the subject matter of such Claim on or prior to the last day of the Survival Period, irrespective of whether the subject matter of such Claim shall have occurred before or after such date; and upon the expiry of the Survival Period all such representations, warranties, certifications and Surviving Covenants shall cease to have any effect except to the extent a written Claim has been previously given in respect thereof in accordance with this section. The Purchaser shall not be entitled to make any Claim in respect of a breach of a representation, warranty or indemnity from the Vendor that it knew or ought to have known was false or untrue as of the Closing Date.

ASW.



(c) "As-Is" Purchase,



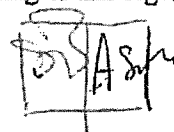
save and accept the Vendor shall ensure that any termination of Leases will ensure the Tenants leave the ~~Premises~~ in a neat and tidy manner

Premises

The Purchaser acknowledges and agrees that:

- (i) except for the representations and warranties of the Vendor expressly set herein or in the Closing Documents, in entering into this Agreement and closing the Transaction, the Purchaser has relied and will continue to rely entirely and solely upon its own inspections and investigations with respect to all aspects of the Subject Assets and the Transaction;
- (ii) except as otherwise expressly provided for in this Agreement or in the Closing Documents, the Subject Assets are being purchased and assumed by the Purchaser on an "as is, where is" basis as of the date of this Agreement and without any express or implied agreement or representation and warranty of any kind whatsoever or any liability or obligation of the Vendor as to the physical or financial condition, suitability for development, fitness for a particular purpose, merchantability, title, physical characteristics, profitability, use or zoning, environmental condition, existence of latent defects, quality, or any other aspect or characteristic thereof;
- (iii) except as otherwise expressly provided for in this Agreement, the Vendor makes no agreements or representations and warranties concerning any statements made or other information delivered or made available to the Purchaser (whether by the Vendor, the Vendor's Real Estate Broker, the Vendor's Solicitors, the Property Manager or any other agents, or representatives or advisors of the Vendor, or any of each such Persons' respective affiliates, or any other Person) with respect to the Subject Assets, whether as part of the information Disclosed to the Purchaser or otherwise;

The provisions of this Schedule "C" shall survive the Closing of this Agreement for ~~360~~ ^{Six (6)} days after completion.



Six (6)

SCHEDULE D

British Columbia Supreme Court Order of Mr. Justice Brundrett dated November 20,
2017



WORKING WITH A REALTOR® (DESIGNATED AGENCY)

AN EXPLANATION OF THE RELATIONSHIPS BETWEEN YOU AND A REALTOR® AND OF THE CONSUMER, AGENT, AND BROKERAGE RESPONSIBILITIES INVOLVED

YOUR RELATIONSHIP WITH A REALTOR®

Buying, selling or leasing real estate is a significant financial transaction. To help you ensure your experience is a rewarding one, it is advisable that you learn the legal and professional guidelines that will define the working relationship you have with your REALTOR®.

This brochure also explains the collection, use and disclosure of personal information under Privacy guidelines. If you are still unclear about any of these concepts, feel free to seek legal counsel.

REAL ESTATE DEFINITIONS YOU SHOULD KNOW

REALTOR® is often used interchangeably with licensee, real estate agent or representative to describe someone licensed under the Real Estate Services Act. A Designated Agent is the person(s) designated by the Brokerage to act for you, the Client, on your sole agent in real estate transactions. This person is almost always a licensed REALTOR®. Brokerage refers to the real estate company where your REALTOR® is licensed.

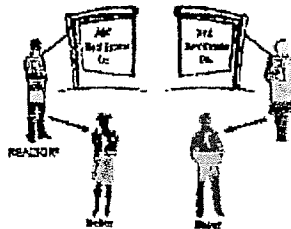
The Boards are the real estate boards of which the Brokerage and the REALTOR® are members. The Boards set and enforce the professional standards of members, and will help resolve disputes between member REALTORS® and the public. The Multiple Listing Service® System (MLS®) comprises a computerized database of real estate listings and sales, operated by the Boards in conjunction with The Canadian Real Estate Association. In documentation, the buyer/tenant is often referred to as the purchaser, the seller/landlord, the vendor, the landlord the lessor, and the tenant the lessee. The Client (sometimes called the principal) is someone who has engaged a Designated Agent and their Brokerage to act for and on his or her behalf either to buy, sell or lease real estate. The customer is a buyer/tenant or seller/landlord who receives services from a REALTOR(S)® who is not their Designated Agent.

THERE ARE THREE POSSIBLE MODELS YOU CAN USE TO BUY, SELL OR LEASE PROPERTY THROUGH A REALTOR®

DESIGNATED AGENCY

When a brokerage designates a REALTOR® or REALTORS® to work solely on your behalf in real estate transactions, the REALTOR® and brokerage are bound by ethics and the law to be honest and thorough in representing you. The brokerage must account for all money and property placed in its hands while acting for you. The REALTOR® must:

- Provide undivided loyalty to you (Client) by protecting your negotiating position at all times, and disclose to you all known facts which may affect or influence your decisions;
- Obey all lawful instructions which you give the REALTOR® to act on your behalf;
- Maintain the confidentiality of your information (financial, legal, personal, etc.) (See following PRIVACY section);
- Use reasonable care and skill in performing all assigned duties in the role as agent.

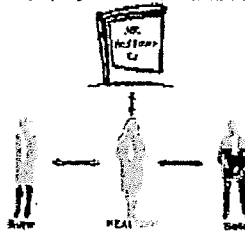


LIMITED DUAL AGENCY

Limited Dual Agency occurs when the Designated Agent represents both the buyer/tenant and seller/landlord in the same transaction or two buyers competing for the same property. In this arrangement, the REALTOR® cannot be concerned exclusively with your interests in the transaction, since they are acting on behalf of the other party as well. Both the seller and the buyer or the competing buyers should fully consent to a limited dual agency arrangement in writing.

A REALTOR® who has consented to work as a limited dual agent must adhere to the following restrictions:

- Deal with both parties impartially;
- Have a duty of disclosure to both clients, except that:
 - REALTOR® must not disclose that the buyer/tenant is willing to pay a price or agree to terms other than those contained in the offer, nor disclose that the seller/landlord is willing to accept a price or terms other than those contained in the listing;
 - in the case of competing buyers, the REALTOR® must not disclose the amount or terms of any offer to purchase or lease made or contemplated by either buyer/tenant;
 - REALTOR® must not disclose the motivation of one Client to the other Client, unless one of the Clients has authorized such disclosure themselves;
 - REALTOR® must not disclose buyer/tenant's or seller/landlord's personal information to the other Client, unless authorized in writing. (This refers to information not otherwise disclosed in the transaction documents.)
- Must disclose to the buyer/tenant any defects about the physical condition of the property that are known to the REALTOR®,



CUSTOMER RELATIONSHIP:

Working With a REALTOR® Who is Not Your Agent

You may also choose to use the services of a REALTOR® without having any kind of agency relationship. This might occur, for example, when you contact or are being shown a property by the seller/landlord's Designated Agent who will treat you as their customer rather than their client.

In this situation, the REALTOR® is not permitted to recommend or suggest a price, negotiate on your behalf, inform you of their client's bottom line price point or disclose any confidential information about their client unless otherwise authorized by the client (or if in special circumstances, the law required it). However, the REALTOR® can provide you with other services, such as:

- Explaining real estate terms, practices and forms
- Assist in screening or viewing properties
- Prepare and present all offers and counter-offers at your direction
- Inform you of lenders and their policies
- Identify and estimate costs involved in a transaction

YOUR RESPONSIBILITIES AS A BUYER/TENANT OR A SELLER/LANDLORD

As a buyer/tenant or a seller/landlord, you should:

- Carefully read all documents and understand what you are signing
- If you need special or expert advice, seek other professionals for advice

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Web Forms™ Jun 2012

As in

WORKING WITH A REALTOR® (DESIGNATED AGENCY)

PRIVACY

In order to help you sell, buy or lease real estate, REALTOR®, Brokerages and real estate boards need to collect, use and disclose some of your personal information.

Personal information means any personal information about you, including your name, address, phone number, financial information and may include information about your property (such as listing and selling price, lease rate, listing term, etc.).

How is my personal information collected? Most personal information will be collected directly from you through the contracts and other documents you fill out (e.g., Multiple Listing Contract, Contract of Purchase and Sale, Offer to Lease, Seller's Property Disclosure Statement) and through discussions you have with your REALTOR®.

To whom may my personal information be disclosed? Your information may be disclosed to (or may be accessible by) the Boards and their staff and members, other real estate boards and their staff and members, other REALTOR® and their clients, government departments and agencies, financial institutions, legal advisors, service providers, the British Columbia Real Estate Association, the Real Estate Council of British Columbia, The Canadian Real Estate Association and members of the public, for the purposes described below.

PURPOSES FOR COLLECTING, USING AND DISCLOSING PERSONAL INFORMATION

Why is my personal information collected, used and disclosed? Your information may be collected, used and disclosed for some or all of the following purposes:

- a) To allow members of real estate boards (including REALTOR® and appraisers) to appraise your property.
b) To list your property with the Multiple Listing Service® System in order to market your property.
c) To market your property for sale or lease through any other media (both print and electronic).
d) To help you locate a suitable property to purchase or lease.
e) To facilitate the purchase and sale or lease transaction (by cooperating with financial institutions, legal advisors and government departments and agencies).
f) To allow the Boards and other real estate boards and their members (including REALTOR® and appraisers) to compile current and historical statistics on sales and property prices and lease rates, and to conduct comparative market analyses.
g) To enforce codes of professional conduct and ethics for members of real estate boards (by cooperating with real estate boards, the British Columbia Real Estate Association, the Real Estate Council of British Columbia, The Canadian Real Estate Association and other regulatory bodies).
h) To comply with legal requirements and to act pursuant to legal authorizations.

The above-mentioned collections, uses and disclosures are a necessary part of your relationship with your REALTOR®.

Will my personal information be collected, used and disclosed for any other purposes? Your information may also be collected, used and disclosed for the following additional purposes:

- a) Your REALTOR® may communicate with you in future to determine whether you require additional real estate services

- b) Your REALTOR® may communicate with you to provide information about other products or services which may interest you.
c) Other REALTOR® may communicate with you to determine whether you require additional real estate services.
d) The Boards, other real estate boards and their members, and survey firms on their behalf, may communicate with you to determine if you wish to participate in customer satisfaction surveys and other surveys.

These additional purposes are optional. If you do not want your personal information disclosed or used for these purposes, please contact the Board's privacy officer.

Contact information for all real estate boards within BC can be found at the British Columbia Real Estate Association website: www.bcra.bc.ca or telephone 604.683.7702.

ACKNOWLEDGEMENT

REALTOR®, Brokerages and real estate boards need to collect, use and disclose some personal information to help you sell, buy or lease real estate.

I/We consent to the Boards, other real estate boards, the Brokerage and the REALTOR® collecting, using and disclosing personal information for the purposes (and to the recipients) described in the brochure.

I/We further understand that I/we will be signing additional documentation acknowledging the type of agency that I/we receive and consenting to the collection, use and disclosure of personal information. This is not a service agreement and does not impose any contractual obligations.

I/We acknowledge having received and read the brochure Working With a REALTOR® from the REALTOR® named below and have obtained satisfactory answers to any questions that I raised. I/We understand the various types of relationships that may occur between myself/ourselves and a REALTOR® and acknowledge that my/our relationship with the undersigned REALTOR® is:

Form with checkboxes for 'a client relationship under Designated Agency' and 'a customer relationship'. Includes fields for initials and DR.

ACKNOWLEDGED BY:

Agent MANHAS (NAME (PRINT))

Rebecca S. Markham (SIGNATURE)
Rebecca Pacific Properties Co. (NAME (PRINT))

(SIGNATURE)

(NAME OF REALTOR® (PRINT))

PER REALTOR'S SIGNATURE

(NAME OF REALTOR® (PRINT))

PER REALTOR'S SIGNATURE

NAME OF BROKERAGE (PRINT)
March 29/18

DATED

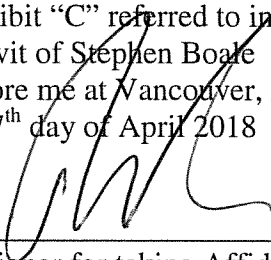
Handwritten initials ASM



Handwritten signature

000042

This is Exhibit "C" referred to in the
affidavit of Stephen Boale
sworn before me at Vancouver, BC
this 27th day of April 2018



A Commissioner for taking Affidavits
for British Columbia

JEREMY D. WEST
Barrister & Solicitor
WATSON GOEPEL LLP
1200 - 1075 W. Georgia Street
Vancouver, B.C. V6E 3C9
Tel: 604-688-1301 Fax: 604-688-8193

TITLE SEARCH PRINT

File Reference: 2264990002

Declared Value \$ 613000

2018-04-27, 08:48:18

Requestor: Joseline Kwok

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

000043

Land Title District VANCOUVER
Land Title Office VANCOUVER

Title Number BA77155
From Title Number H55008

Application Received 2006-03-20

Application Entered 2006-03-23

Registered Owner in Fee Simple
Registered Owner/Mailing Address: 0744860 B.C. LTD., INC.NO. 0744860
273 LONSDALE AVENUE
NORTH VANCOUVER, BC
V7M 2E9

Taxation Authority North Vancouver, The Corporation of the City of

Description of Land
Parcel Identifier: 015-131-696
Legal Description:
LOT 10 BLOCK 140 DISTRICT LOT 274 PLAN 879

Legal Notations
HERETO IS ANNEXED EASEMENT R21450 OVER PART OF LOT A
PLAN 16270 AS SHOWN ON EXPLANATORY PLAN 18433

Charges, Liens and Interests
Nature: COVENANT
Registration Number: R24033
Registration Date and Time: 1987-03-20 14:49
Registered Owner: THE CORPORATION OF THE CITY OF NORTH VANCOUVER
Remarks: INCLUDES INDEMNITY UNDER S. 215(2)(A)
LAND TITLE ACT

Nature: MORTGAGE
Registration Number: CA3401722
Registration Date and Time: 2013-10-15 10:02
Registered Owner: GULF AND FRASER FISHERMEN'S CREDIT UNION
INCORPORATION NO. FI-95

TITLE SEARCH PRINT

File Reference: 2264990002

Declared Value \$ 613000

2018-04-27, 08:48:18

Requestor: Joseline Kwok

000044

Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA3401723
Registration Date and Time:	2013-10-15 10:02
Registered Owner:	GULF AND FRASER FISHERMEN'S CREDIT UNION INCORPORATION NO. FI-95

Nature:	MORTGAGE
Registration Number:	CA5781118
Registration Date and Time:	2017-01-23 14:37
Registered Owner:	CHARTELL PROPERTIES LTD. INCORPORATION NO. BC0349388

Nature:	CERTIFICATE OF PENDING LITIGATION
Registration Number:	CA5999051
Registration Date and Time:	2017-05-16 14:38
Registered Owner:	THOMAS HIN KEUNG TSANG
Remarks:	INTER ALIA

Nature:	CERTIFICATE OF PENDING LITIGATION
Registration Number:	CA6381556
Registration Date and Time:	2017-10-19 10:00
Registered Owner:	JOHN W. COMBS

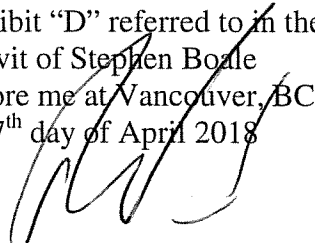
Duplicate Infeasible Title NONE OUTSTANDING

Transfers NONE

Pending Applications NONE

000075

This is Exhibit "D" referred to in the
affidavit of Stephen Boale
sworn before me at Vancouver, BC
this 27th day of April 2018



A Commissioner for taking Affidavits
for British Columbia

JEREMY D. WEST
Barrister & Solicitor
WATSON GOEPEL LLP
1200 - 1075 W. Georgia Street
Vancouver, B.C. V6E 3C9
Tel: 604-688-1361 Fax: 604-688-8193

EXCLUSIVE AGENCY TO SELL

THIS AGREEMENT made this ___ day of December, 2017.

BETWEEN: **CUSHMAN & WAKEFIELD ULC** ("C&W")
 P.O. Box 10023, Pacific Centre
 Suite 700, 700 West Georgia Street
 Vancouver, BC V7Y 1A1

Attention: Sean Ungemach
 Telephone: 604.640.5823
 Email Address: sean.ungemach@ca.cushwake.com

AND: **SBU REALTY ADVISORS LTD.** (the "Co-Brokerage")
 P.O. Box 10023, Pacific Centre
 Suite 700, 700 West Georgia Street
 Vancouver, BC V7Y 1A1

Attention: Sean Ungemach
 Telephone: 604.640.5823
 Email Address: sean.ungemach@ca.cushwake.com

AND: **BOALE, WOOD & COMPANY LTD.** (the "Owner")
in its capacity as court appointed receiver manager of
0744860 B.C. Ltd.

Attention: Stephen Boale
 Telephone: 604.605.3335
 Email Address: sboale@boalewood.ca

IN CONSIDERATION of C&W and the Co-Brokerage (together, the "Brokerage") listing and agreeing to offer for sale the lands and premises described as:

273 Lonsdale Avenue, North Vancouver, BC (also (the "Property")
referenced as 113 3rd Street West, North Vancouver,
BC)

Legally described as:

PID: 015-131-696
 Lot 10 Block 140 District Lot 274 Plan 879

the Owner hereby grants to the Brokerage, during the period commencing immediately upon execution of this Agreement and ending on April 30, 2018 (the "**Term**"), the sole and exclusive authority to solicit offers and secure purchaser(s) acceptable to the Owner for the Property upon the terms and conditions hereafter set forth or upon such other terms and conditions as the parties hereto may agree to in writing. If the Owner does not give written notice to the Brokerage prior to or at the expiry of such Term that this Agreement will terminate at the end of such Term, then this Agreement and the Term shall be deemed to be extended automatically on a month-to-month basis until terminated by either party by written notice to the other.

In connection with the above grant of authority, the Brokerage and the Owner agree as follows:

1. The Owner and the Brokerage agree there will be no formal asking price for the Property unless the Owner directs otherwise during the Term of this Agreement.
2. Designated Agency
 - (a) C&W designates Leeland Blanchard (the "**C&W Designated Agent**") to act as the agent of the Owner in respect of the Property.
 - (b) the Co-Brokerage designates Sean Ungemach (the "**Co-Brokerage Designated Agent**") and together with the C&W Designated Agent, (the "**Designated Agents**") to act as the agent of the Owner in respect of the Property.
 - (c) neither of the Designated Agents will disclose to other licensees, including licensees of C&W or the Co-Brokerage who represent purchasers or other vendors, any confidential information of the Owner obtained through his or her agency relationship with the Owner unless authorized by the Owner or required by law.
 - (d) the Owner agrees that:
 - (i) an agency relationship will exist only with the Designated Agents;
 - (ii) information obtained by either the C&W Designated Agent or the Co-Brokerage Designated Agent through his or her agency relationship with the Owner will not be attributed to (A) C&W, (B) other licensees of C&W who represent purchasers or other vendors, (C) the Co-Brokerage; and
3. Brokerage Responsibilities
 - (a) The responsibilities of C&W will be and C&W agrees to:
 - (i) use its continuing commercially reasonable efforts in seeking prospective purchasers for the Property, utilizing appropriate advertising and promotional material which will be subject to the Owner's reasonable approval;

- (ii) erect and maintain "For Sale" and "Sold" signs on the Property to the Owner's reasonable satisfaction; and
- (iii) monitor and supervise the activities of the C&W Designated Agent to ensure compliance by the C&W Designated Agent with the provisions of this Agreement and C&W's policies and procedures governing designated agents.

For purposes of Sections 3(a)(i) and 3(a)(ii), the term "C&W" will be deemed to include the C&W Designated Agent.

- (b) The responsibilities of the Co-Brokerage will be and the Co-Brokerage agrees to:
 - (i) use its continuing commercially reasonable efforts in seeking prospective purchasers for the Property, utilizing appropriate advertising and promotional material which will be subject to the Owner's reasonable approval;
 - (ii) erect and maintain "For Sale" and "Sold" signs on the Property to the Owner's reasonable satisfaction; and
 - (iii) monitor and supervise the activities of the Co-Brokerage Designated Agent to ensure compliance by the Co-Brokerage Designated Agent with the provisions of this Agreement and the Co-Brokerage's policies and procedures governing designated agents.

For purposes of Sections 3(b)(i) and 3(b)(ii), the term "Co-Brokerage" will be deemed to include the Co-Brokerage Designated Agent.

4. Designated Agent's Responsibilities

The responsibilities of each of the Designated Agents will be to:

- (a) act as the agent of only the Owner with respect to the Property;
- (b) provide information about the Property to other brokerages and their designated agents acting for a prospective purchaser or, with the written consent of the Owner, as a sub-agent of C&W, as the case may be;
- (c) use reasonable commercial efforts to market the Property and to promote the interests of the Owner;
- (d) at the earliest possible opportunity, advise any purchaser interested in the Property that he or she is the agent of the Owner; and
- (e) submit promptly to the Owner in writing all offers to purchase the Property received by him or her, including offers received from licensees of co-operating brokerages.



5. Owner's Responsibilities

The Owner will, during the Term, promptly advise the Designated Agents of, and refer to them, all inquiries received by the Owner from persons interested in purchasing the Property.

6. Commission

- (a) The Owner will pay C&W a real estate commission of two and one half of one percent (2.5%) of the purchase price, plus applicable federal goods and services tax whichever is then applicable ("GST"), provided that such commission is to be earned and payable only if and when:
 - (i) either:
 - A. a binding agreement for the purchase of the Property from any person, whether or not introduced to the Owner by C&W or the Co-Brokerage, has been executed during the Term of this Agreement and approved by court order as required pursuant to the terms of the Order appointing the Owner dated November 20, 2017 (the "Receivership Order"); or
 - B. the Owner accepts, within six (6) months after the date of expiration of the Term of this Agreement, an offer to purchase the Property from a person who was introduced to the Property during the Term of this Agreement and such offer is approved by court order as required by Receivership Order; and
 - (ii) the Owner has received the consideration due at the closing of the sale of the Property.
- (b) If all or a portion of the Property is sold to a purchaser by way of a share sale, or if a purchaser is given a participating interest in the Property by way of a participating loan, an interest in a partnership or joint venture or otherwise, the Owner will continue to be obliged to pay C&W a commission hereunder on the following basis:
 - (i) the purchase price on which the commission is calculated will be the effective fair market value of the Property or portion thereof which the purchaser is indirectly acquiring by way of the share purchase, participating loan, partnership, joint venture or otherwise;
 - (ii) C&W and the Owner will mutually agree upon the effective fair market value of the interest in the Property being acquired by the purchaser promptly after the Owner and the purchaser have executed a written agreement with respect to such interest, whether such agreement is conditional or unconditional; and



- (iii) if an agreement on the effective fair market value of such interest cannot be reached by the Owner and C&W within ten (10) days after the Owner has executed an agreement with the purchaser, the Owner and C&W will mutually appoint a qualified independent appraiser to resolve the dispute unilaterally (the costs of such resolution will be shared on a 50/50 basis by the Owner and C&W).
- (c) If either the C&W Designated Agent or the Co-Brokerage Designated Agent negotiates an offer for the purchase of the Property and, as a result of such offer, the right of a third party to acquire the Property pursuant to a right of first refusal, option to purchase, "buy-sell" or "shotgun" provision, or similar right, is triggered and such third party proceeds with and does in fact acquire the Property from the Owner, C&W will be entitled to a commission, calculated as set out above, based upon the purchase price paid or deemed to be paid by such third party, and the Owner agrees to pay the same to C&W upon receiving the consideration due at the closing of the sale of the Property to such third party.
- (d) If an offer to purchase provides that any deposit will be made payable to Cushman & Wakefield ULC, in trust, C&W will hold such deposit in a trust account in accordance with the *Real Estate Services Act* (British Columbia) or any successor legislation thereto. The Owner hereby irrevocably authorizes C&W to deduct, when payable hereunder, the commission (and applicable GST thereon) payable to C&W from any such deposit and to forward the balance of the deposit to the Owner with a statement showing the particulars of the amount of the deposit and the amount of the commission and applicable GST deducted.
- (e) The Owner acknowledges and agrees that C&W may assign to a cooperating brokerage all or a part of the commission payable to C&W under this Agreement.
- (f) The Owner hereby irrevocably directs, or agrees to sign such documents as may be required by C&W to irrevocably direct a lawyer or notary public acting for the Owner or a purchaser, to pay the commission payable to C&W under this Agreement, or the net amount remaining after the deposit held in trust has been credited against such commission due to C&W, to C&W and a cooperating brokerage, where applicable, by separate cheques to C&W and the cooperating brokerage.
- (g) The Co-Brokerage acknowledges and agrees that the Owner will not be required to pay a commission to the Co-Brokerage pursuant to this Agreement.
- (h) The Owner agrees that it will not permit any purchaser of the Property to pay a deposit to the Co-Brokerage and that all deposits are to be made payable to C&W or other persons authorized to hold deposits under applicable law.
- (i) Notwithstanding any of the foregoing, if the Co-Brokerage Designated Agent or the Co-Brokerage holds or receives money from, for or on behalf of the Owner or a purchaser of the Property or on account of remuneration for real estate services,

the Owner will enter into an agreement (separate from any agreement giving effect to the sale of the Property) pursuant to which the Owner will agree that such money may be held by C&W in its trust account (as opposed to the Co-Brokerage's trust account) and that subsections 27(1) and (2) of the *Real Estate Services Act* (British Columbia) do not apply to the Co-Brokerage Designated Agent or the Co-Brokerage.

- (j) Notwithstanding that this Agreement indicates a commission shall be payable to C&W and calculated according to a fixed percentage, the amount of that commission is subject to Court Order and the Owner shall not be obliged to pay the commission to C&W that is not approved by Court Order.

7. Use and Distribution of Information (Privacy)

- (a) The Owner consents to the collection, use and disclosure of personal information by the Brokerage for the purpose of this Agreement and such other use as is consistent with listing, marketing and selling of the Property.
- (b) The Owner consents to placement of the listing and sales information by C&W and the Co-Brokerage into their respective databases and the database of the appropriate listing service and acknowledges that the databases are the property of C&W, the Co-Brokerage or the listing service, as applicable.
- (c) The Owner further acknowledges that the Brokerage may:
 - (i) distribute the information to any persons authorized to use such service which may include other brokerages, government departments, appraisers, municipal organizations and others;
 - (ii) compile, retain and publish any statistics including historical listing service data which may be used by the Brokerage and licensed listing service members to conduct comparative market analysis; and
 - (iii) make such other use of the information as the listing service(s) deems appropriate in connection with the listing, marketing and selling of real estate.

8. Owner's Acknowledgements, Agreements, Representations and Warranties

The Owner acknowledges, agrees, represents and warrants that:

- (a) the Owner has the authority to sell the Property and to enter into this Agreement to the extent provided for in the Receivership Order;
- (b) applicable GST will be payable on the purchase of the Property;
- (c) the Owner has disclosed to the Designated Agents all third party claims and interests in the Property known to the Owner without inquiry;



- (d) the Property is not currently the subject of an exclusive brokerage agreement and, during the Term of this Agreement, the Owner will not enter into another service agreement with another brokerage firm related to the sale of the Property;
- (e) the Owner has disclosed to the Designated Agents all material latent defects affecting the Property known to the Owner (without inquiry) and the Designated Agents may provide that information to prospective purchasers;
- (f) the Owner will provide the Designated Agents with all information within its possession necessary for the listing and marketing of the Property;
- (g) all information provided to the Brokerage and the Designated Agents by the Owner is and will be accurate to the best of the Owner's knowledge, without inquiry;
- (h) the Owner will immediately advise the Designated Agents of any material change in the physical condition or status of the Property or in the information provided by the Owner during the currency of this Agreement;
- (i) C&W is authorized to make agency disclosures in accordance with the Real Estate Council's Rules;
- (j) the Designated Agents are being retained solely to provide real estate services and not as lawyers, tax advisors, lenders, certified appraisers, surveyors, structural engineers, building inspectors or other professional service providers;
- (k) it is not a conflict or a breach of duty to the Owner for C&W or the Co-Brokerage to list property of, or either of the Designated Agents to show property of, or to have agency relationships with other vendors; and
- (l) the Brokerage and the Designated Agents will not be required to disclose to the Owner confidential information obtained through any agency relationship.

9. Miscellaneous

- (a) All terms and conditions of this Agreement will apply equally to the sale of a portion of the Property, whether by way of a subdivision, strata plan, undivided interest or otherwise, and will also apply if the purchaser acquires a beneficial and not a legal interest in the Property, or a portion thereof, as aforesaid.
- (b) Time will be of the essence to this Agreement.
- (c) Any amendment to this Agreement must be in writing signed by both parties to be effective.
- (d) This Agreement shall be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto.



- (e) There are no representations, warranties, guarantees, promises or agreements other than those made herein.
- (f) Any notice required to be given hereunder will be personally delivered or transmitted by email to the parties at the addresses and email addresses set out on page 1 of this Agreement or to such other address or email address of which either party may notify the other party from time to time in writing.
- (g) This Agreement may be executed and transmitted by fax and/or email and, if so executed and transmitted, this Agreement will be for all purposes as effective as if the parties had delivered an executed original Agreement.
- (h) This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

WE HEREBY AGREE TO THE TERMS OF this Agreement as of the date set out on page one hereof.

THE BROKERAGE

THE OWNER

CUSHMAN & WAKEFIELD ULC

**BOALE, WOOD & COMPANY LTD.
in its capacity as court appointed receiver
manager of 0744860 B.C. Ltd.**

Per: 
(Authorized Signatory)

Per: 
(Authorized Signatory)

V.P. Hendrite Lassel
(Name & Title)

S. Boale, Trustee
(Name & Title)

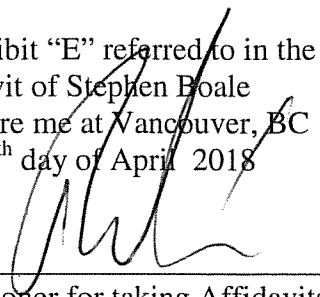
THE CO-BROKERAGE

SBU REALTY ADVISORS LTD.

Per: 
(Authorized Signatory)

SEAN UNDERMATT PRESIDENT.
(Name & Title)

This is Exhibit "E" referred to in the
affidavit of Stephen Boale
sworn before me at Vancouver, BC
this 27th day of April 2018



A Commissioner for taking Affidavits
for British Columbia

JEREMY D. WEST
Barrister & Solicitor
WATSON GOEPEL LLP
1200 - 1075 W. Georgia Street
Vancouver, B.C. V6E 3C9
Tel: 604-688-1301 Fax: 604-688-8193

DEVELOPMENT OPPORTUNITY WITH HOLDING INCOME 000055

273 LONSDALE AVENUE

NORTH VANCOUVER, BC



FOR SALE

3,380 SF SITE IN THE HEART OF LOWER LONSDALE

5,253 SF EXISTING RETAIL BUILDING WITH STRONG HOLDING YIELD FOR FUTURE DEVELOPMENT

DESIGNATED MIXED-USE LEVEL 4A (HIGH DENSITY) WITH UP TO 3.6 FSR



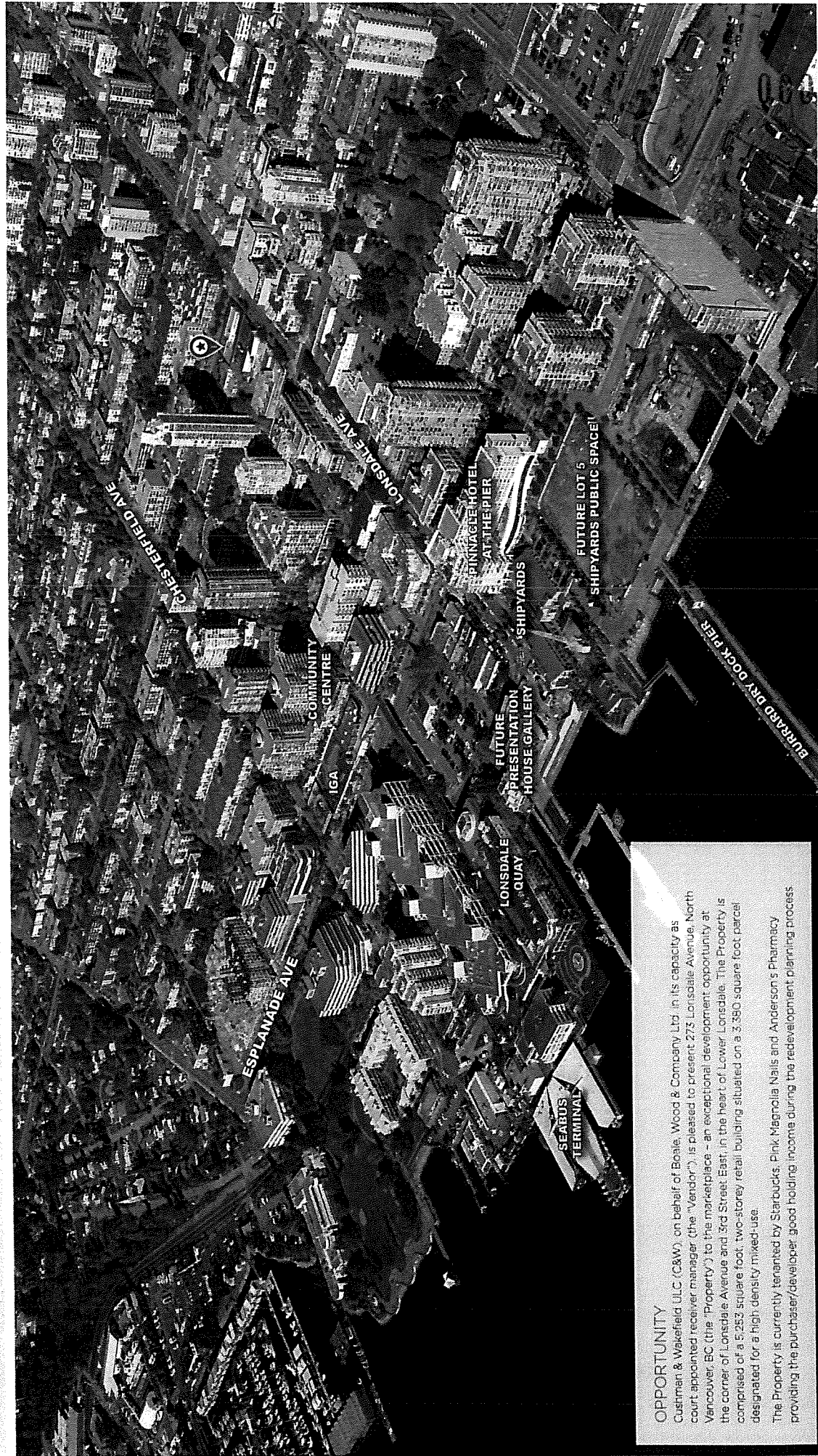
Sean Ungemach*

SBU Realty Advisors Ltd.
Senior Vice President
604 640 5823
sean.ungemach@ca.cushwake.com

Lee Blanchard

Senior Vice President
Capital Markets Group
604 640 5838
lee.blanchard@ca.cushwake.com

DEVELOPMENT OPPORTUNITY WITH HOLDING INCOME
273 LONSDALE AVENUE
 NORTH VANCOUVER, BC



OPPORTUNITY
 Cushman & Wakefield LLC (C&W), on behalf of Boyle, Wood & Company Ltd. in its capacity as court appointed receiver/manager (the "Vendor"), is pleased to present 273 Lonsdale Avenue, North Vancouver, BC (the "Property") to the marketplace - an exceptional development opportunity at the corner of Lonsdale Avenue and 3rd Street East, in the heart of Lower Lonsdale. The Property is comprised of a 5,253 square foot, two-storey retail building situated on a 3,380 square foot parcel designated for a high density mixed-use.

The Property is currently tenanted by Starbucks, Pink Magnolia Nails and Anderson's Pharmacy providing the purchaser/developer good holding income during the redevelopment/planning process.

03-0036

DEVELOPMENT OPPORTUNITY WITH HOLDING INCOME

273 LONSDALE AVENUE

NORTH VANCOUVER, BC



SALIENT DETAILS

Civic Address: 273 Lonsdale Avenue, North Vancouver (also referenced as civic address 1033 West 3rd Street)

Legal Description: Lot 10 Block 140 District Lot 274 Plan 879

Property ID: 015-131-696

Site Area*: 3,380 sf

Existing Building Area*: 5,253 sf

Tenancy	Starbucks	Pink Magnolia Nails	Anderson's Pharmacy	2nd Floor Office
Occupied Area*	1,559 sf	300 sf	1,225 sf	2,139 sf

Lease Expiry: January 30, 2021

Gross Taxes: \$31,556.98

Current Use: Retail

Designated OCP Land Use: Mixed Use Level 4A (High Density) and Mixed Use Level 3 (Medium Density)

Potential Density: 2.6 FSR + potential 1.0 bonus FSR for a total potential FSR of 3.6

Potential Buildable Area*: 12,168 sf

Environmental Report: Available upon execution of Confidentiality Agreement

Sale Price: Please contact Listing Agents

* All sizes are approximate Detailed income overview available to qualified purchasers.

OPPORTUNITY HIGHLIGHTS

- 3,380 sf corner site
- 5,253 sf existing retail building providing strong holding yield for future development
- Designated for high density mixed-use for up to 12,168 sf potential buildable area
- Potential block assembly for future development
- Prominent Lower Lonsdale corner location
- Walkability with less than 10 minute walking distance to the Lonsdale Quay Market
- Close proximity to SeaBus terminal at foot of Chesterfield Avenue - 13 minute commute to Downtown Vancouver
- Public transit conveniently connecting residents to all areas of the North Shore
- Surrounded by an abundance of amenities and servicing including grocery stores, numerous restaurants, cafes, recreation and retail
- A strong sense of community - cultural events, entertainment, festival and art

LOCATION HIGHLIGHTS

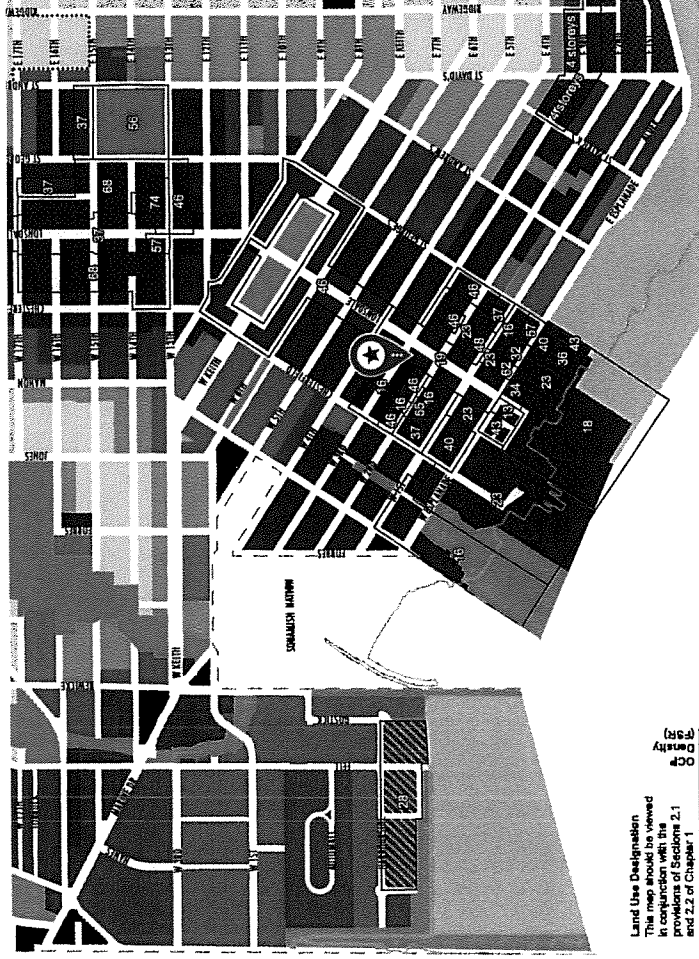
- Detailed income overview available to qualified purchasers.

3,380 SF
EXISTING BUILDING AREA

5,253 SF
EXISTING BUILDING AREA

3.6
TOTAL POTENTIAL FSR

12,168 SF
POTENTIAL BUILDABLE AREA



This map should be viewed in conjunction with the provisions of Sections 2.1 and 2.2 of Chapter 1

Land Use Designation	OC Density (FSR)	Bonus (FSR)
Residential Level 1 (Low Density)	0.5	0.5
Residential Level 2 (Low Density)	0.5	0.5
Residential Level 3 (Low Density)	0.75	0.75
Residential Level 4A (Medium Density)	1.0	1.0
Residential Level 4B (Medium Density)	1.25	1.25
Residential Level 5 (Medium Density)	1.8	1.8
Residential Level 6 (High Density)	2.3	2.3
Mixed Use Level 1 (Low Density)	1.0	1.0
Mixed Use Level 2 (Medium Density)	2.0	2.0
Mixed Use Level 3 (Medium Density)	2.3	2.3
Mixed Use Level 4A (High Density)	2.6	2.6
Mixed Use Level 4B (High Density)	3.0	3.0
Neighbourhood Waterfront (Mixed Use)	2.05	0.16

OCP LAND USE
Mixed Use Level 4A (High Density)

PURPOSE

To allow for a mix of higher-density multi-family and commercial uses in Lower Lonsdale. Buildings in this designation typically include a mix of retail and/or office space on lower floors and residential apartments on upper floors.

FORM

Mid-rise or high-rise buildings. Heights are limited as indicated in the Land Use map (approximately 8 storeys).

MAXIMUM DENSITY

2.6 FSR

MAXIMUM BONUS

A maximum increase of 1.0 FSR may be considered when public benefits are provided.

- Parks, Recreation & Open Space
- School & Institutional
- Commercial
- Mixed Employment
- Industrial
- Maximum Building Heights in Metres
- Special Study Area
- City Boundary

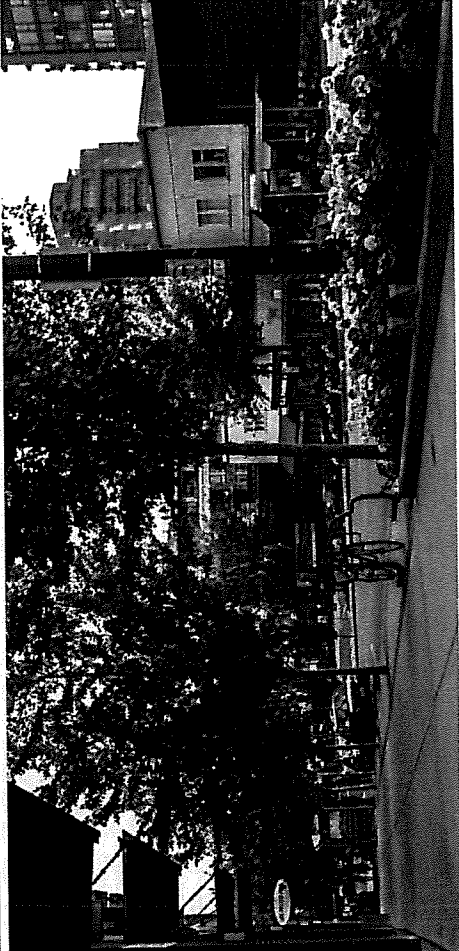
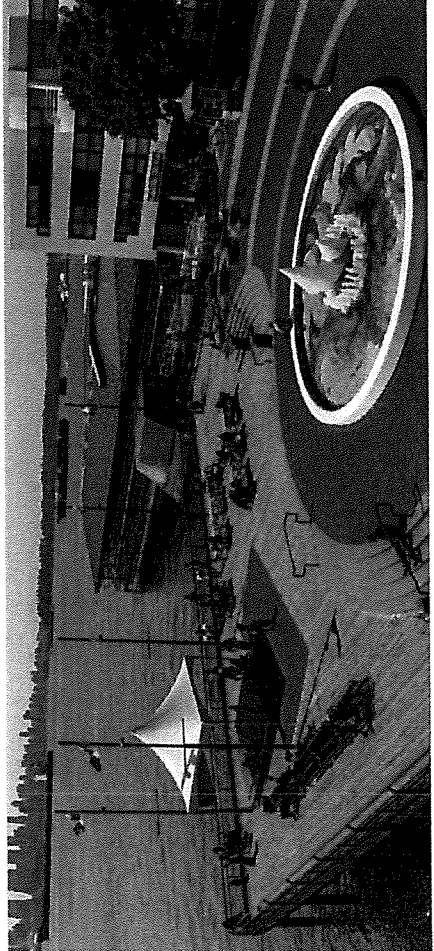
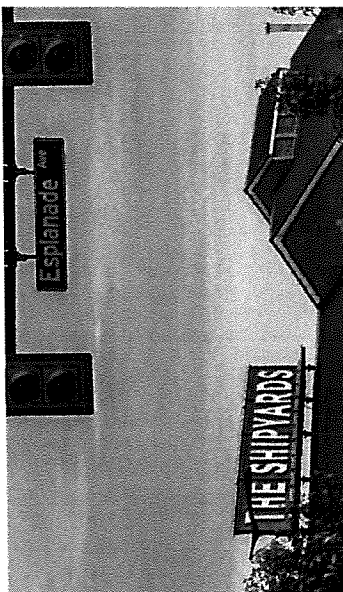
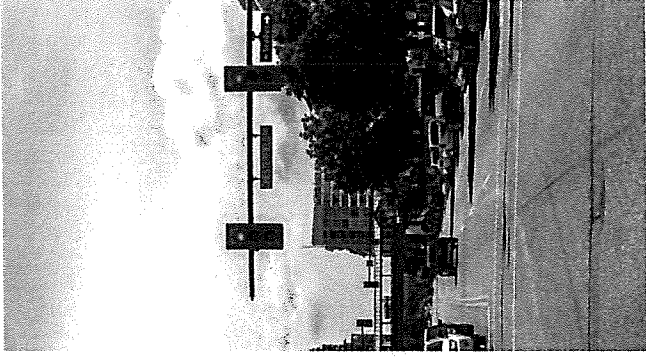
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DEVELOPMENT OPPORTUNITY WITH HOLDING INCOME
273 LONSDALE AVENUE
 NORTH VANCOUVER, BC



LOWER LONSDALE
 Stretching from the waterfront north to 3rd Street, Lower Lonsdale is the City's transportation hub and growing cultural and entertainment district. Lower Lonsdale has undergone extensive redevelopment over the past 10 years. As per the 2002 OCP, high-density mixed-use development supporting a variety of commercial uses and active public spaces, including significant waterfront lands, continues to be supported in the 2014 OCP. As new development occurs in the Lower Lonsdale area, the presence of small-scale commercial spaces and established light-industrial/mixed employment uses are expected to be maintained.

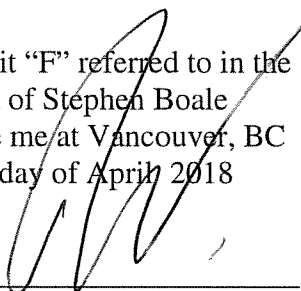
- Burned Dry Dock Pier is a stunning 700-ft pier that offers both a public promenade and adjoining moorage opportunities for leisure boats and ocean-bound visiting ships
- Lonsdale Quay Market, over 80 shops and services, as well as a boutique hotel, the Lonsdale Quay has been a favourite destination for both residents and visitors since 1986
- North Shore Spirit Trail, envisioned as a waterfront-oriented, multi-use and fully accessible greenway which will provide pedestrian and cyclist access across the North Shore from Horseshoe Bay to Deep Cove.



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This is Exhibit "F" referred to in the
affidavit of Stephen Boale
sworn before me at Vancouver, BC
this 27th day of April 2018

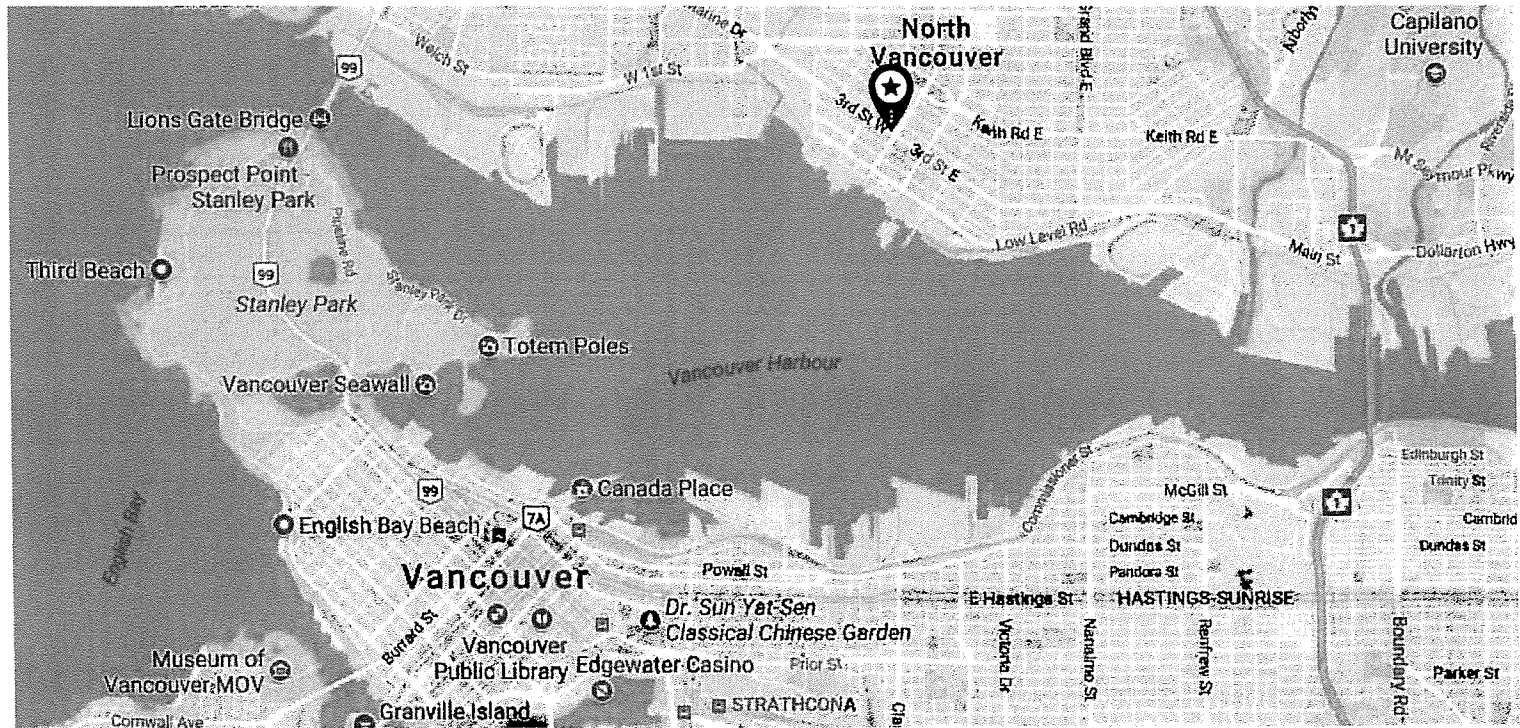


A Commissioner for taking Affidavits
for British Columbia

JEREMY D. WEST
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DEVELOPMENT OPPORTUNITY WITH HOLDING INCOME 000060

273 LONSDALE AVENUE
NORTH VANCOUVER, BC



Sean Ungemach*
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Lee Blanchard
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*Sean Ungemach is licensed with SBU Realty Advisors Ltd. and has a contractual relationship with Cushman & Wakefield ULC
E.&O.E.: This communication is not intended to cause or induce breach of an existing agency agreement.

E.&O.E.: The information contained herein was obtained from sources which we deem reliable and, while thought to be correct, is not guaranteed by Cushman & Wakefield ULC 01/18 bg

273 Lonsdale Avenue

North Vancouver, British Columbia

Marketing Report

April 20, 2018



CUSHMAN &
WAKEFIELD

001

Marketing**Activity****Due Diligence**

- Listing Team assisted receiver to hire PGL to conduct phase one environmental report with the hopes that a clean report would encourage unconditional offers from the buyers perspective. --assisted receiver in understanding the true building areas by enlisting the services of measure masters to complete accurate building measurements.
- met with the City of NV planning department to understand future development potential and required bonus density costs
- C&W underwriters completed investment analysis models as well as development pro-formas to support price expectations.
- C&W engaged Blimp photography to complete aerial photography for marketing materials
- created electronic data room for prospective purchasers to view and download all available information pertaining to the property.

Marketing Materials

- Created a multi page professional marketing brochure along with email introduction page for mass marketing efforts

Hard copy mailer

- Brochure and cover letter sent to all commercial realtors in the C&W data base
- Brochure and cover letter sent to all developers/investors in the C&W data base

Phone Canvassing

- Telephone canvassing to top targeted owner occupiers, developers and investors including all property owners in the immediate block of the subject property. In addition C&W called all tenants and property owners on Lonsdale and in the general area of lower Lonsdale.

Email Announcements

- Ongoing email campaign continually circulated to brokerage community and developers and investors with brochure.

Commercial Broadcast

- Commercial broadcast through real estate board of greater Vancouver announcing availability of opportunity numerous times throughout marketing campaign. This broadcast reaches all licensed realtors in metro Vancouver.

Lease Listing

- C&W also listed the second floor office area for lease to assist with potential lease up to further enhance marketability of space. Multiple showings occurred with no offers received. We believe this to be primarily due to untidy nature of space.

Other Advertising Media

- C&W website, western investor and space list

Property Tours

- Conducted multiple property tours

Offers

- Created competitive bid process and received four offers, one of which was unconditional.

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273 Lonsdale Avenue, North Vancouver, BC

Prepared by:

Sean Ungemach
SBU Realty Advisors Ltd.
Executive Vice President
(604) 640 5823

Lee Blanchard
Senior Vice President
Capital Markets Group
(604) 640 5838

Devy Schatz
Associate
Industrial Sales & Leasing
(604) 608 5968

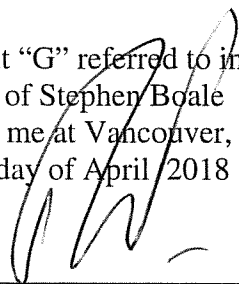
CUSHMAN & WAKEFIELD LTD.

SUITE 700 - 700 WEST GEORGIA STREET, VANCOUVER, BC V7Y 1A1

©2017 Cushman & Wakefield.

(E.S.O.E): The information contained herein was obtained from sources which we deem reliable and while thought to be correct, is not guaranteed by Cushman & Wakefield Ltd.

This is Exhibit "G" referred to in the
affidavit of Stephen Boale
sworn before me at Vancouver, BC
this 27th day of April 2018



A Commissioner for taking Affidavits
for British Columbia

JEREMY D. WEST
Barrister & Solicitor
WATSON GOEPEL LLP
1200 - 1075 W. Georgia Street
Vancouver, B.C. V6E 3C9
Tel: 604-688-1301 Fax: 604-688-8199

Prospect Name	Address	City	State	Zip	Phone	Fax	Website	CAZ Permit	Permit Status	Permit Fee	Permit Expiration	Other Submittals	Date	Notes
													9-Mar	Toured and partner through property
								X	X			X	9-Mar	Will be submitting offer
								X	X			X	1-Feb 5-Feb 7-Feb 13-Mar	Interested, wants pricing guidance environmental and rent roll sent Submitted offer Re-submitted on revised form which had vendor conditions
								X	X			X	6-Mar 9-Mar 13-Mar	Interested in investing in Vancouver toured property Submitted offer
								X	X				5-Mar 9-Mar	sent data room as per his request Followed up, no further interest. Too much hair and too difficult to assemble.
								X	X				5-Mar 6-Mar	Asked for pricing guidance Signed CA
								X	X				9-Mar	will not be submitting an offer, too much hair on it given the price expectations, lease encumbrances and difficulty with potential assembly for development.
								X	X				5-Mar	Inquired about current NOI (rent roll) and expected sales price, called to communicate details
								X	X				9-Mar	felt he didn't have enough time to review materials, however also felt price expectations are too high
								X	X				6-Mar	left a voicemail with advising of the March 13 bid date. No call back
								X	X				5-Mar 9-Mar	called This site is too small for their operations, therefore no further interest

Prospect	Lead	Lead Source	Lead Status	Lead Date	Lead Type	Lead Value	Lead Score	Lead Rating	Lead Comments
									Made a request on behalf of who would like to know what the holding yield is based on current income.
			X	6-Mar					Toured through building.
			X	9-Mar					called to advise no further interest. Site has too much uncertainty around tenants.
			X	12-Mar					March 5 - asked for and pricing guidance
			X	8-Mar					followed up. No further interest.
			X	12-Mar					
			X	7-Mar					Has a potential buyer, completed for details
			X	12-Mar					left voicemail advising of bid date
			X	13-Mar					followed up with - they purchased a direct property on march 9, budget is gone. This site didn't have enough office, owner user who needed 5-6,000 sq ft office.
			X	8-Mar					Advised he has interested client, sent
			X	9-Mar					followed up to see if any interest, no answer and no completed
			X	5-Mar					Inquired what the price range for the property is.
			X	12-Mar					followed up, no further interest
			X	15-Feb					to discuss with over a call. Also inquired about Gardner Court.
			X	7-Mar					followed up, no further interest, price expectations too high and site too small
			X	2-Feb					Reached out regarding office space lease, asked if there is any possibility to buy the site.
			X	5-Mar					sent brochure
			X	12-Mar					followed up, no further interest
			X	1-Feb					Wants to see brochure asap. Sent 2/1/2018
			X	5-Mar					called, no further interest

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273 Lonsdale Avenue - Prospect Tracking

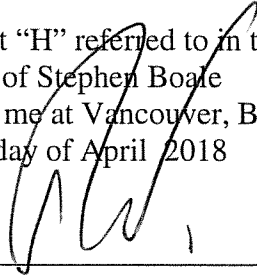
Prospect	Ref	Phone	Address	City	State	Zip	Lead Source	Lead Status	Lead Date	Lead Time	Lead Type	Lead Value	Lead Score	Lead Rating	Lead Comments

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This is Exhibit "H" referred to in the
affidavit of Stephen Boale
sworn before me at Vancouver, BC
this 27th day of April 2018

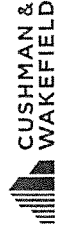


A Commissioner for taking Affidavits
for British Columbia

JEREMY D. WEST
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1200 - 1075 W. Georgia Street
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Tel: 604-689-1501 Fax: 604-689-1502

273 Lonsdale Avenue, North Vancouver
Offer Summary

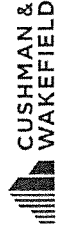
Purchaser	Type of Offer	Assurance Date	Purchase Price	Deposit	Deposit Holder	Purchaser's Completion Date	Vendor's RFR Cancellation/Withdrawal/Response Date	Purchaser's Conditions/Precedent	Vendor's Right of First Refusal Condition/Precedent	Completion Date	Comments
HRR Real Estate Inc. Attention: Suki Sekhon (CRS Group)	Offer to Purchase	March 20, 2018	\$3,750,000	Initial: \$10,000 – forthwith upon Vendor's acceptance Additional: \$500,000 – upon waiver of Purchaser's Conditions	Cushman & Wakefield ULC	Thirty (30) days after Vendor acceptance	Ten (10) business days after mutual Offer to Purchase acceptance	(a) Satisfaction with review of environmental condition of the Lands (b) Satisfaction with results of all physical investigations (c) Satisfaction with review of title on the Lands (d) Satisfaction with Contracts, Leases, operating statements for the latest two years of the operation of the Property, current rent roll and all other materials regarding the Property (e) Satisfaction with any other due diligence searches and investigations carried out with respect to the Property	(a) Purchaser acknowledges the Landlord must grant the Tenant Right of First Refusal (RFR) and if offer is received the Tenant must match the offer received within five (5) business days. Tenant does not then the RFR is forfeited – and Purchaser accepts that Vendor's acceptance of OTP is conditional upon the RFR expiring/forfeited by the Tenant (the "RFR Condition") (b) Purchaser acknowledges that the Vendor has executed OTP by power and authority of Boate, Wood and in its capacity as Receiver-Manager of all the assets, undertakings and properties of 0744669 B.C. Ltd, and (c) Purchaser acknowledges that the Vendor's obligation to complete the sale of the Property on the Completion Date is expressly subject to and conditional upon the Supreme Court of British Columbia approving this OTP and transactions contemplated herein within 21 days after the Purchaser has removed all conditions precedent and has paid agreed-upon deposits (the "Approval Condition")	The later of: (d) Thirty (30) days following Vendor's Approval Condition waiver or (e) Such other date mutually acceptable to the Vendor and Purchaser	Vendor deliverables due within three (3) business days after Vendor's acceptance
	Offer to Purchase	March 16, 2018	\$3,500,000	Initial: \$100,000 – forthwith upon Vendor's acceptance Additional: Not listed (?) – upon waiver of Purchaser's Conditions	Cushman & Wakefield ULC	N/A	Ten (10) business days after mutual Offer to Purchase acceptance	N/A	Same as above.	The later of: (a) May 30, 2018, or (b) Seven (7) days following the date the Vendor gives the Purchaser notice that it is waiving Vendor's Approval Condition	Vendor deliverables due within three (3) business days after Vendor's acceptance



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273 Lonsdale Avenue, North Vancouver
Offer Summary

Purchaser	Type of Offer	Acceptance Date	Purchase Price	Deposit	Deposit Holder	Purchaser's Condition Deadline	Vendor's RFR Condition Deadline	Purchaser's Conditions Precedent	Vendor's Right of First Refusal Condition Precedent	Completion Date	Comments
	Offer to Purchase	March 21, 2018	\$3,060,000	Initial: \$100,000 – forthwith upon Vendor's acceptance Additional: \$200,000 – forthwith upon waiver of Purchaser's Conditions	Cushman & Wakefield ULC	Seven (7) business days after mutual Offer acceptance	N/A	1. Securing a new first mortgage financing to the satisfaction of the Purchaser	N/A	Thirty (30) days from Vendor receiving court approval	<ul style="list-style-type: none"> Vendor deliverables due within three (3) business days after Vendor's acceptance <ul style="list-style-type: none"> Vendor has used an earlier version of the Offer to Purchase template which did not specify a "Vendor's RFR Condition Waiver Date" or a "Condition Approval Date" separately
	Offer to Purchase	March 16, 2018	\$3,000,000	Initial: \$100,000 - forthwith upon Vendor's acceptance Additional: \$175,000 – forthwith upon waiver of Purchaser's Conditions	Cushman & Wakefield ULC	Twenty (20) business days after Vendor acceptance	Ten (10) business days after mutual Offer to Purchase acceptance	<ol style="list-style-type: none"> Purchaser obtaining a satisfactory report on the environmental condition of the Lands and Building Satisfaction with results of all physical investigations Satisfaction with review of title to the Lands Satisfaction with Contracts, Leases, operating statements for the use of the Property, operation of the Property, current rent roll and all other materials regarding the Property Satisfaction with any other due diligence searches and investigations carried out with respect to the Property 	Same as above.	Fifteen (15) business days following Vendor's Approval Condition waiver or such other day mutually acceptable to the Vendor and Purchaser	<ul style="list-style-type: none"> Vendor deliverables due within three (3) business days after Vendor's acceptance

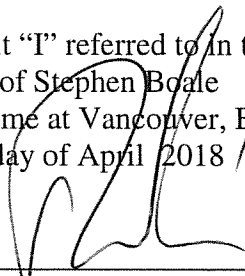


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This is Exhibit "I" referred to in the
affidavit of Stephen Boale
sworn before me at Vancouver, BC
this 27th day of April 2018



A Commissioner for taking Affidavits
for British Columbia

JEREMY D. WEST
Barrister & Solicitor
WATSON GOEPEL LLP
1200 - 1075 W. Georgia Street
Vancouver, B.C. V6E 3C9
Tel: 604-688-1301 Fax: 604-688-8191

000075

Date: April 12, 2018

PURCHASER'S CONDITIONS WAIVER

Re: 273 Lonsdale Avenue, North Vancouver, BC

Further to the Offer to Purchase dated March 19, 2018 (the "Agreement") made between:

BEACON PACIFIC PROPERTIES LTD.
c/o Commercial Real Estate Services Inc.
920 – 475 West Georgia Street
Vancouver, BC
V6B 4M9
(hereinafter called the "Purchaser"); and

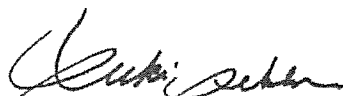
0744860 BC LTD.
c/o Boale, Wood & Company Ltd.
1140 – 800 West Pender Street
Vancouver, BC
V6C 2V6
(hereinafter called the "Vendor")

The Purchaser hereby removes and waives the Purchaser's Conditions as per Schedule B 1(a) of the Agreement.

All other terms and conditions of the Agreement shall remain the same and are in full force and effect. Time remains of the essence.

Dated at Vancouver this 12 day of April, 2018.

BEACON PACIFIC PROPERTIES LTD.

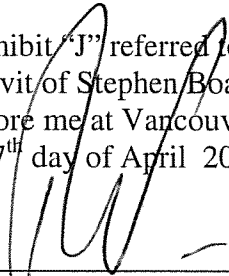


Authorized Signatory

Suki Sekhon
Name and Title

000076
000076

This is Exhibit "J" referred to in the
affidavit of Stephen Boale
sworn before me at Vancouver, BC
this 27th day of April 2018



A Commissioner for taking Affidavits
for British Columbia

JEREMY D. WEST
Barrister & Solicitor
WATSON GOEPEL LLP
1200 - 1075 W. Georgia Street
Vancouver, B.C. V6E 3C9
Tel: 604-688-1301 Fax: 604-688-8193

Date: April 24, 2018

VENDOR'S CONDITION WAIVER

Re: 273 Lonsdale Avenue, North Vancouver, BC

Further to the Offer to Purchase dated March 19, 2018 and the Purchaser's Conditions Waiver dated April 12, 2018 (collectively the "Agreement") made between:

BEACON PACIFIC PROPERTIES LTD.

c/o Commercial Real Estate Services Inc.
920 – 475 West Georgia Street
Vancouver, BC
V6B 4M9
(hereinafter called the "Purchaser"); and

0744860 BC LTD.

by Boale, Wood & Company Ltd. in its capacity as court
appointed Receiver-Manager of 0744860B. C. LTD
1140 – 800 West Pender Street
Vancouver, BC
V6C 2V6
(hereinafter called the "Vendor")

The Vendor hereby agrees to remove and waive the following Condition Precedent of the Offer to Purchase dated March 19, 2018:

1. RFR Condition, as per clause 10. (a); and
2. Tenancy Condition as per clause 10.(c).

All other terms and conditions of the Agreement shall remain the same and are in full force and effect. Time remains of the essence.

Dated at Vancouver this 24th day of April, 2018.

0744860 BC LTD.

by Boale, Wood & Company Ltd. in its
capacity as court appointed Receiver-Manager of 0744860B. C. LTD



Authorized Signatory

Stephen Boale
Name and Title