



This is the 2<sup>nd</sup> Affidavit of  
Joseline Kwok in this case and  
was made on the 3rd day of December, 2018

No. S1710393  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,  
S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*,  
R.S.C. 1985, c. C-44, AS AMENDED

AND

IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF  
ALL CANADIAN INVESTMENT CORPORATION

**AFFIDAVIT**

I, Joseline Kwok, of 1200 – 1075 West Georgia Street, Vancouver, British Columbia, Paralegal,  
SWEAR THAT:

1. I am a paralegal of the law firm of Watson Goepel LLP, the counsel for the Petitioner in these proceedings, and as such have personal knowledge of the facts and matters deposed to in this Affidavit, save and except where they are said to be based on information and belief, in which case I believe them to be true.
2. Attached and marked as **Exhibit "A"** to this Affidavit is the contract of purchase and sale for the properties located at 4717 & 4725 Hastings Street, Burnaby, BC dated October 29, 2018.
3. Attached and marked as **Exhibit "B"** to this Affidavit is the subjects removals for the properties 4717 & 4725 Hastings Street, Burnaby, BC between 1B Investments Ltd. and CG (Hastings & Beta) Properties Ltd. dated November 27, 2018.
4. Attached and marked as **Exhibit "C"** to this Affidavit is contract of purchase and sale for the property located at 4723 Hastings Street, Burnaby, BC dated October 29, 2018.
5. Attached and marked as **Exhibit "D"** to this Affidavit is the subjects removal document for the property located at 4723 Hastings Street, Burnaby, BC between 1158233 B.C. Ltd. and CG (Hastings & Beta) Properties Ltd. dated November 27, 2018.

6. Attached and marked as **Exhibit "E"** to this Affidavit is an extension to subjects removal for the property located at 4723 Hastings Street, Burnaby, BC dated October 29, 2018.
7. Attached and marked as **Exhibit "F"** to this Affidavit is an appraisal for 4717, 4723 and 4725 Hastings Street, Burnaby, BC dated March 16, 2018 performed by Garnet Wilson Realty Advisors Ltd.
8. Attached and marked as:
  - (a) **Exhibit "G"** to this Affidavit is the most recent BC Assessment for the property located at 4723 Hastings Street, Burnaby, BC available online;
  - (b) **Exhibit "H"** to this Affidavit is the most recent BC Assessment for the property located at 4717 Hastings Street, Burnaby, BC available online; and
  - (c) **Exhibit "I"** to this Affidavit is the most recent BC Assessment for the property located at 4725 Hastings Street, Burnaby, BC available online.
9. Attached and marked as **Exhibit "J"** to this Affidavit is a BC Company search for 1B Investments Ltd.
10. Attached and marked as **Exhibit "K"** to this Affidavit is a BC Company search for 1158233 B.C. Ltd.
11. Attached and marked as **Exhibit "L"** to this Affidavit is a land title search for PID 029-636-884.
12. Attached and marked as **Exhibit "M"** to this Affidavit is a land title search for PID 029-636-892.
13. Attached and marked as **Exhibit "N"** to this Affidavit is a land title search for PID 029-636-876.

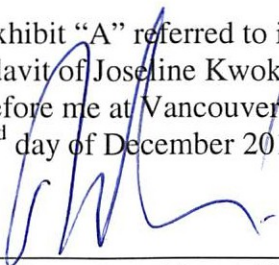
SWORN BEFORE ME at the City of  
Vancouver, in the Province of British  
Columbia, this 3rd day of December, 2018.

A Commissioner for taking Affidavits within  
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

**JOSELINE KWOK**

This is Exhibit "A" referred to in the  
affidavit of Joseline Kwok  
sworn before me at Vancouver, BC  
this 3<sup>rd</sup> day of December 2018



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A Commissioner for taking Affidavits  
for British Columbia

**JEREMY D. WEST**  
*Barrister & Solicitor*  
**WATSON GOEPEL LLP**  
1200 - 1075 W. Georgia Street  
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Tel: 604-688-1301 Fax: 604-688-8193

# CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE

## INFORMATION ABOUT THIS CONTRACT

THIS INFORMATION IS INCLUDED FOR THE ASSISTANCE OF THE PARTIES ONLY. IT DOES NOT FORM PART OF THE CONTRACT AND SHOULD NOT AFFECT THE PROPER INTERPRETATION OF ANY OF ITS TERMS.

1. **CONTRACT:** This document, when signed by both parties, is a legally binding contract. READ IT CAREFULLY. The parties should ensure that everything that is agreed to is in writing.
2. **DEPOSIT(S):** Section 28 of the *Real Estate Services Act* requires that money held by a brokerage in respect of a real estate transaction for which there is an agreement between the parties for the acquisition and disposition of the real estate be held by the brokerage as a stakeholder. The money is held for the real estate transaction and not on behalf of one of the parties. If a party does not remove a subject clause, the brokerage requires the written agreement of both parties in order to release the deposit. If both parties do not sign the agreement to release the deposit, then the parties will have to apply to court for a determination of the deposit issue.
3. **COMPLETION:** (Clauses 6.1 and 17) Unless the parties are prepared to actually meet at the Land Title Office and exchange title documents for the Purchase Price, it is, in every case, advisable for the completion of the sale to take place in the following sequence:
  - a. The Buyer pays the Purchase Price or down payment in trust to the Buyer's Lawyer or Notary (who should advise the Buyer of the exact amount required) several days before the Completion Date, and the Buyer signs the documents.
  - b. The Buyer's Lawyer or Notary prepares the documents and forwards them for signature to the Seller's Lawyer or Notary who returns the documents to the Buyer's Lawyer or Notary.
  - c. The Buyer's Lawyer or Notary then attends to the deposit of the signed title documents (and any mortgages) in the appropriate Land Title Office.
  - d. The Buyer's Lawyer or Notary releases the sale proceeds at the Buyer's Lawyer's or Notary's office.

Since the Seller is entitled to the Seller's proceeds on the Completion Date, and since the sequence described above takes a day or more, it is strongly recommended that the Buyer deposits the money and the signed documents AT LEAST TWO DAYS before the Completion Date, or at the request of the Conveyancer, and that the Seller delivers the signed transfer documents no later than the morning of the day before the Completion Date.

While it is possible to have a Saturday or Sunday Completion Date using the Land Title Office's Electronic Filing System, parties are strongly encouraged NOT to schedule a Saturday Completion Date as it will restrict their access to fewer lawyers or notaries who operate on Saturdays; lenders will generally not fund new mortgages on Saturdays; lenders with existing mortgages may not accept payouts on Saturdays; and other offices necessary as part of the closing process may not be open.

4. **POSSESSION:** (Clauses 7.1 and 18) The Buyer should make arrangements through the real estate licensees for obtaining possession. The Seller will not generally let the Buyer move in before the Seller has actually received the sale proceeds. Where residential tenants are involved, Buyers and Sellers should consult the *Residential Tenancy Act*.
5. **ADJUSTMENT:** (Clauses 8.1 and 19) The Buyer and Seller should consider any additional adjustments that are necessary given the nature of the Property and how any costs are payable by tenants and whether the Seller holds any of the tenant's funds with respect to such costs.
6. **TITLE:** (Clause 22) It is up to the Buyer to satisfy the Buyer on matters of zoning or building or use restrictions, toxic or environmental hazards, encroachments on or by the Property and any encumbrances which are staying on title before becoming legally bound. It is up to the Seller to specify in the Contract if there are any encumbrances, other than those listed in Clause 22 and Schedule 22, which are staying on title before becoming legally bound. If you as the Buyer are taking out a mortgage, make sure that title, zoning and building restrictions are all acceptable to your mortgage company. In certain circumstances, the mortgage company could refuse to advance funds. If you as the Seller are allowing the Buyer to assume your mortgage, you may still be responsible for payment of the mortgage, unless arrangements are made with your mortgage company.
7. **CUSTOMARY COSTS:** (Clause 31) In particular circumstances there may be additional costs, but the following costs are applicable in most circumstances:

### Costs to be Borne by the Seller

Lawyer or Notary Fees and Expenses:

- attending to execution documents.

Costs of clearing title, including:

- discharge fees charged by

encumbrance holders,

- prepayment penalties.

Real Estate Commission (plus GST).

Goods and Services Tax (if applicable).

### Costs to be Borne by the Buyer

Lawyer or Notary Fees and Expenses:

- searching title,

- investigating title,

- drafting documents.

Land Title Registration fees.

Survey Certificate (if required).

Costs of Mortgage, including:

- mortgage company's Lawyer/Notary.

- appraisal (if applicable).

Land Title Registration fees.

Fire Insurance Premium.

Sales Tax (if applicable).

Property Transfer Tax.

Goods and Services Tax (if applicable).

In addition to the above costs there may be financial adjustments between the Seller and the Buyer pursuant to Clause 19.

8. **RISK:** (Clause 32) The Buyer should arrange for insurance to be effective as of 12:01 am on the earlier of the Completion Date. The Seller should maintain the Seller's insurance in effect until the later of the date the Seller receives the proceeds of sale, or the date the Seller vacates the property.
9. **FORM OF CONTRACT:** This Contract of Purchase and Sale is designed primarily for the purchase and sale of freehold commercial real estate. If your transaction involves:
  - a building under construction
  - an operating business with or without employees being hired
  - a sale and purchase of shares in the owner of the Property
  - the purchase of a leasehold interest
  - other special circumstances
 additional provisions, not contained in this form, may be needed, and professional advice should be obtained.





BRITISH COLUMBIA  
REAL ESTATE  
ASSOCIATION



THE CANADIAN  
BAR ASSOCIATION  
British Columbia Branch

PAGE 1 of \_\_\_\_\_ PAGES

## CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE

MLS® NO: \_\_\_\_\_ DATE: October 29, 2018

The Buyer agrees to purchase the Property from the Seller on the following terms and subject to the following conditions:

### PART 1 - INFORMATION SUMMARY

<b>1. Prepared By</b>		
<b>1.1 Name of Brokerage</b>		
<b>1.2 Brokerage Address</b>		
<b>1.3 Licensee's Name</b>	<b>Phone No.</b>	
<b>1.4 Personal Real Estate Corporation</b>		
<b>1.5 Licensee's Email Address</b>	<b>Fax No.</b>	
<b>1.6 Brokerage Phone No.</b>	<b>Fax No.</b>	
<b>2. Parties to the Contract</b>		
<b>2.1 Seller</b> <u>CG(HASTINGS &amp; BETA)Properties Ltd</u>		
Seller _____		
<b>2.2 Seller's Address</b> <u>4723 Hastings Street</u>	<u>Burnaby, BC</u>	<u>V5C 2K8</u>
<b>2.3 Seller's Phone No.</b>	<b>Fax No.</b>	
<b>2.4 Seller's Email Address</b>		
<b>2.5 Seller's Incorporation No.</b>	<b>2.6 Seller's GST No.</b>	
<b>2.7 Buyer</b> <u>1B Investments Ltd</u>		
Buyer <u>or nominee</u>		
<b>2.8 Buyer's Address</b> <u>4111 Hastings Street</u>	<u>Burnaby, B.C.</u>	<u>V5C 6T7</u>
<b>2.9 Buyer's Phone No.</b>	<b>Fax No.</b>	
<b>2.10 Buyer's Email Address</b>		
<b>2.11 Buyer's Incorporation No.</b>	<b>2.12 Buyer's GST No.</b>	
<b>3. Property</b>		
<b>3.1 Civic Address of Property</b> <u>4717 &amp; 4725 Hastings Street</u>		<u>Burnaby, BC</u>
<b>3.2 Legal Description of Property</b>		
<u>STRATA LOT 9 &amp; 10, DISTRICT LOT 122, GROUP 1,NWD, Strata Plan EPS2787 together with an interest in the common property in proportion to the unit entitlement of the strata lots on form V</u>		
<b>PID</b> <u>029-636-876 &amp; 029-636-884</u>		<u>2,600,000.00</u> <span style="float: right;">PL 138</span>
<b>4. Purchase Price</b>	<del>\$2,200,000.00</del>	<b>Clause</b>
<u>Two Million Two Hundred Thousand</u> <u>STX</u> <u>TWO</u> <u>FIFTY</u>	<u>2,250,000.00</u> Dollars	<u>14</u> <u>98</u>

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INITIALS

## PROPERTY ADDRESS

<b>5. Deposit</b>	<b>Clause</b>
<b>5.1</b> Deposit To Be Provided By The Following Date: <input checked="" type="checkbox"/> within 48 hours of acceptance of offer or counter-offer <input type="checkbox"/> Date _____ <input type="checkbox"/> other _____	15
<b>5.2</b> Amount of Deposit \$10,000.00, balance to be paid upon removal of Conditions Precedent.	15
<b>5.3</b> Deposit To Be Paid In Trust To Kuhl Law Corporation	15
<b>6. Completion Date</b>	
<b>6.1</b> Completion Date December 11, 2018	17
<b>7. Possession Date</b>	
<b>7.1</b> Possession Date December 12, 2018	18
<b>7.2</b> Vacant Possession Yes <input type="checkbox"/> No <input type="checkbox"/> <b>7.3</b> All Existing Tenancies Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	18
<b>8. Adjustment Date</b>	
<b>8.1</b> Adjustment Date December 11, 2018	19
<b>9. Viewing Date</b>	
<b>9.1</b> Viewing Date October 27, 2018	21
<b>10. Agency Disclosure</b>	
<b>10.1</b> Seller's Designated Agent Licensee _____ Licensee _____ Brokerage _____	38A
<b>10.2</b> Buyer's Designated Agent Licensee _____ Licensee _____ Brokerage _____	38B
<b>10.3</b> Limited Dual Agency Designated Agent Licensee _____ Licensee _____ Brokerage _____	38C
<b>10.4</b> Date of Limited Dual Agency Agreement	38C
<b>11. Acceptance</b>	
<b>11.1</b> Offer Open Until - Date November 7, 2018 Time 12:00 PM	43
<b>12. Schedules</b>	
<b>15</b> Deposit \$10,000.00 within 48 hrs of acceptance Attached Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	15
<b>16A</b> Buyer's Conditions Attached Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	16
<b>16B</b> Seller's Conditions Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	16
<b>18</b> Accepted Tenancies Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	18
<b>20A</b> Additional Included Items Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	20
<b>20B</b> Excluded Items Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	20
<b>22</b> Additional Permitted Encumbrances Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	22
<b>23</b> Additional Seller's Warranties and Representations Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	23
<b>24</b> Additional Buyer's Warranties and Representations Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	24
<b>41</b> Additional Terms Attached Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	41

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INITIALS

**PART 2 - TERMS**

- 13. INFORMATION SUMMARY:** The Information Summary being Part 1 to this Contract of Purchase and Sale for Commercial Real Estate and the Schedules attached to this Contract of Purchase and Sale for Commercial Real Estate, form an integral part of this offer. The Seller and Buyer acknowledge that they have read all of Part 1 and Part 2 and the Schedules to this Contract of Purchase and Sale for Commercial Real Estate.
- 14. PURCHASE PRICE:** The purchase price of the Property will be the amount set out in Clause 4.1 (Purchase Price).
- 15. DEPOSIT:** A deposit in the amount set out in Clause 5.2 which will form part of the Purchase Price, will be paid in accordance with Clause 26 except as otherwise set out in Schedule 15 and on the terms set out in Schedule 15. All monies paid pursuant to this Clause (the "Deposit") will be delivered in trust to the party identified in Clause 5.3 and held in trust in accordance with the provisions of the *Real Estate Services Act*. In the event the Buyer fails to pay the Deposit as required by this Contract, the Seller may, at the Seller's option, terminate this Contract. The party who receives the Deposit is authorized to pay all or any portion of the Deposit to the Buyer's or Seller's conveyancer (the "Conveyancer") without further written direction of the Buyer or Seller, provided that: (a) the Conveyancer is a Lawyer or Notary; (b) such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and (c) if the sale does not complete, the money should be returned to such party as stakeholder or paid into Court.
- 16. CONDITIONS:** The obligations of the Buyer described in this Contract are subject to the satisfaction or waiver of the conditions precedent set out in Schedule 16A, if any (the "Buyer's Conditions"). The Buyer's Conditions are inserted for the sole benefit of the Buyer. The satisfaction or waiver of the Buyer's Conditions will be determined in the sole discretion of the Buyer and the Buyer agrees to use reasonable efforts to satisfy the Buyer's Conditions. The Buyer's Conditions may only be satisfied or waived by the Buyer giving written notice (the "Buyer's Notice") to the Seller on or before the time and date specified for each condition. Unless each Buyer's Condition is waived or declared fulfilled by delivery of the Buyer's Notice to the Seller on or before the time and date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.
- The obligations of the Seller described in this Contract are subject to the satisfaction or waiver of the conditions precedent set out in Schedule 16B, if any (the "Seller's Conditions"). The Seller's Conditions are inserted for the sole benefit of the Seller. The satisfaction or waiver of the Seller's Conditions will be determined in the sole discretion of the Seller and the Seller agrees to use reasonable efforts to satisfy the Seller's Conditions. These conditions may only be satisfied or waived by the Seller giving written notice (the "Seller's Notice") to the Buyer on or before the time and date specified for each condition. Unless each Seller's Condition is waived or declared fulfilled by delivery of the Seller's Notice to the Buyer on or before the time and date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.
- 17. COMPLETION:** The sale will be completed on the date specified in Clause 6.1 (Completion Date) at the appropriate Land Title Office.
- 18. POSSESSION:** The Buyer will have possession of the Property at the time and on the date specified in Clause 7.1 (Possession Date) with vacant possession if so indicated in Clause 7.2, or subject to all existing tenancies if so indicated in Clause 7.3; or subject to the specified tenancies set out in Schedule 18, if so indicated in Clause 12 (if Clause 7.3 or 12 is selected, such tenancies shall be the "Accepted Tenancies").
- 19. ADJUSTMENTS:** The Buyer will assume and pay all taxes, rates, local improvement assessments, fuel, utilities, insurance, rents, tenant deposits including interest, prepaid rents, and other charges from, and including, the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of the date specified in Clause 8.1 (the "Adjustment Date").
- 20. INCLUDED ITEMS:** The Purchase Price includes the Accepted Tenancies, any buildings, improvements, fixtures, appurtenances and attachments thereto, and all security systems, security bars, blinds, awnings, curtain rods, tracks and valances, fixed mirrors, fixed carpeting, electric, plumbing, heating and air conditioning fixtures and all appurtenances and attachments thereto as viewed by the Buyer at the date of inspection, together with those items set out in Schedule 20A but excluding those items set out in Schedule 20B.
- 21. VIEWED:** The Property and all included items will be in substantially the same condition at the Possession Date as when viewed by the Buyer on the date specified in Clause 9.1.

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INITIALS

## PROPERTY ADDRESS

- 22. TITLE:** Free and clear of all encumbrances except subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, the Accepted Tenancies and any additional permitted encumbrances set out in Schedule 22.
- 23. ADDITIONAL SELLER'S WARRANTIES AND REPRESENTATIONS:** In addition to the representations and warranties set out in this Contract, the Seller makes the additional representations and warranties set out in Schedule 23 to the Buyer.
- 24. ADDITIONAL BUYER'S WARRANTIES AND REPRESENTATIONS:** In addition to the representations and warranties set out in this Contract, the Buyer makes the additional representations and warranties set out in Schedule 24 to the Seller.
- 25. GST:** In addition to the Purchase Price, the applicable Goods and Services Tax ("GST") imposed under the *Excise Tax Act* (Canada) (the "Act") will be paid by the Buyer. On or before the Completion Date, the Buyer may confirm to the Seller's Lawyer or Notary that it is registered for the purposes of Part IX of the Act and will provide its registration number. If the Buyer does not confirm that it is a registrant under Part IX of the Act on or before the Completion Date, then the Buyer will pay the applicable GST to the Seller on the Completion Date and the Seller will then remit the GST as required by the Act. All taxes payable pursuant to the *Social Service Tax Act* arising out of the purchase of the Property, will be paid by the Buyer and evidence of such payment will be provided to the Seller.
- 26. TENDER:** Tender or payment of monies by the Buyer to the Seller will be by bank draft, certified cheque, cash or Lawyer's/Notary's or real estate brokerage's trust cheque.
- 27. DOCUMENTS:** All documents required to give effect to this Contract will be delivered in registerable form where necessary and will be lodged for registration in the appropriate Land Title Office by 4 pm on the Completion Date.
- 27A. SELLER'S PARTICULARS AND RESIDENCY:** The Seller shall deliver to the Buyer on or before the Completion Date a statutory declaration of the Seller containing: (A) particulars regarding the Seller that are required to be included in the Buyer's Property Transfer Tax Return to be filed in connection with the completion of the transaction contemplated by this Contract (and the Seller hereby consents to the Buyer inserting such particulars on such return); and (B) if the Seller is not a non-resident of Canada as described in the non-residency provisions of the *Income Tax Act*, confirmation that the Seller is not then, and on the Completion Date will not be, a non-resident of Canada. If on the Completion Date the Seller is a non-resident of Canada as described in the residency provisions of the *Income Tax Act*, the Buyer shall be entitled to hold back from the Purchase Price the amount provided for under section 116 of the *Income Tax Act*.
- 28. TIME:** Time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreement to pay the balance as may be necessary is entered into on or before the Completion Date, the Seller may, at the Seller's option, terminate this Contract, and, in such event, the amount paid by the Buyer will be non-refundable and absolutely forfeited to the Seller, subject to the provisions of Section 28 of the *Real Estate Services Act*, on account of damages, without prejudice to the Seller's other remedies.
- 29. BUYER FINANCING:** If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has: (a) made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration, and (c) made available to the Seller, a Lawyer's or Notary's undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds pursuant to the Canadian Bar Association (BC Branch) (Real Property Section) standard undertakings (the "CBA Standard Undertakings").
- 30. CLEARING TITLE:** If the Seller has existing financial charges to be cleared from title, the Seller, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Seller agrees that payment of the Purchase Price shall be made by the Buyer's Lawyer or Notary to the Seller's Lawyer or Notary, on the CBA Standard Undertakings to pay out and discharge the financial charges, and remit the balance, if any, to the Seller.
- 31. COSTS:** The Buyer will bear all costs of the conveyance and, if applicable, any costs related to arranging a mortgage and the Seller will bear all costs of clearing title.

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INITIALS



## PROPERTY ADDRESS

- 32. RISK:** All buildings on the Property and all other items included in the purchase and sale will be, and remain, at the risk of the Seller until 12:01 am on the Completion Date. After that time, the Property and all included items will be at the risk of the Buyer. If loss or damage to the Property occurs before the Seller is paid the Purchase Price, then any insurance proceeds shall be held in trust for the Buyer and the Seller according to their interests in the Property.
- 33. GOVERNING LAW:** This Contract will be governed by the laws of the Province of British Columbia. The parties submit to the exclusive jurisdiction of the courts in the Province of British Columbia regarding any dispute that may arise out of this transaction.
- 34. CONFIDENTIALITY:** Unless the transaction contemplated by this Contract is completed, the Buyer and the Seller will keep all negotiations regarding the Property confidential, and the Buyer will not disclose to any third party the contents or effect of any documents, materials or information provided pursuant to or obtained in relation to this Contract without the prior written consent of the Seller, except that each of the Buyer and the Seller may disclose the same to its employees, inspectors, lenders, agents, advisors, consultants, potential investors and such other persons as may reasonably be required and except that the Buyer and the Seller may disclose the same as required by law or in connection with any regulatory disclosure requirements which must be satisfied in connection with the proposed sale and purchase of the Property.
- 35. PLURAL:** In this Contract, any reference to a party includes that party's heirs, executors, administrators, successors and assigns; singular includes plural and masculine includes feminine.
- 36. SURVIVAL OF REPRESENTATIONS AND WARRANTIES:** There are no representations, warranties, guarantees, promises or agreements other than those set out in this Contract and any attached Schedules. All of the warranties contained in this Contract and any attached Schedules are made as of and will be true at the Completion Date, unless otherwise agreed in writing.
- 37. PERSONAL INFORMATION:** The Buyer and the Seller hereby consent to the collection, use and disclosure by the Brokerages and by the managing broker(s), associate broker(s) and representative(s) of those Brokerages (collectively the "Licensee(s)") described in Clause 38, the real estate boards of which those Brokerages and Licensees are members and, if the Property is listed on a Multiple Listing Service®, the real estate board that operates that Multiple Listing Service®, of personal information about the Buyer and the Seller:
- A. for all purposes consistent with the transaction contemplated herein;
  - B. if the Property is listed on a Multiple Listing Service®, for the purpose of the compilation, retention and publication by the real estate board that operates the Multiple Listing Service® and other real estate boards of any statistics including historical Multiple Listing Service® data for use by persons authorized to use the Multiple Listing Service® of that real estate board and other real estate boards;
  - C. for enforcing codes of professional conduct and ethics for members of real estate boards; and
  - D. for the purposes (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled *Privacy Notice and Consent*.
- The personal information provided by the Buyer and Seller may be stored on databases outside Canada, in which case it would be subject to the laws of the jurisdiction in which it is located.
- 38. AGENCY DISCLOSURE:** The Seller and the Buyer acknowledge and confirm as follows (initial appropriate box(es) and complete details as applicable):

INITIALS	

- A. The Seller acknowledges having received, read and understood Real Estate Council of British Columbia (RECBC) form entitled "*Disclosure of Representation in Trading Services*" and hereby confirms that the Seller has an agency relationship with the Designated Agent(s)/Licensee(s) specified in Clause 10.1 who is/are licensed in relation to the brokerage specified in Clause 10.1.

INITIALS	

- B. The Buyer acknowledges having received, read and understood RECBC form entitled "*Disclosure of Representation in Trading Services*" and hereby confirms that the Buyer has an agency relationship with the Designated Agent(s)/Licensee(s) specified in Clause 10.2 who is/are licensed in relation to the brokerage specified in Clause 10.2.

INITIALS	

- C. The Seller and the Buyer each acknowledge having received, read and understood RECBC form entitled "*Disclosure of Risks Associated with Dual Agency*" and hereby confirm that they each consent to a dual agency relationship with the Designated Agent(s)/Licensee(s) specified in Clause 10.3 who is/are

PH			QS
INITIALS			

4717 &amp; 4725 Hastings Street

Burnaby, BC

PAGE 6 of \_\_\_\_\_ PAGES

PROPERTY ADDRESS

licensed in relation to the brokerage specified in Clause 10.3, having signed a dual agency agreement with such Designated Agent(s)/Licensee(s) dated the date set out in Clause 10.4.

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INITIALS

D. If only (A) has been completed, the Buyer acknowledges having received, read and understood RECBC form "Disclosure of Risks to Unrepresented Parties" from the Seller's agent listed in (A) and hereby confirms that the Buyer has no agency relationship.

--	--

INITIALS

E. If only (B) has been completed, the Seller acknowledges having received, read and understood RECBC form "Disclosure of Risks to Unrepresented Parties" from the Buyer's agent listed in (B) and hereby confirms that the Seller has no agency relationship.

**39. ASSIGNMENT OF REMUNERATION:** The Buyer and the Seller agree that the Seller's authorization and instruction set out in clause 44(c) below is a confirmation of the equitable assignment by the Seller in the Listing Contract and is notice of the equitable assignment to anyone acting on behalf of the Buyer or Seller.

**40. ACCEPTANCE IRREVOCABLE (Buyer and Seller):** The Seller and the Buyer specifically confirm that this Contract of Purchase and Sale is executed under seal. It is agreed and understood that the Seller's acceptance is irrevocable, including without limitation, during the period prior to the date specified, for the Buyer to either:

A. fulfill or waive the terms and conditions herein contained; and/or

B. exercise any option(s) herein contained.

**40A. RESTRICTION ON ASSIGNMENT OF CONTRACT:** The Buyer and the Seller agree that this Contract: (a) must not be assigned without the written consent of the Seller; and (b) the Seller is entitled to any profit resulting from an assignment of the Contract by the Buyer or any subsequent assignee.

**41. ADDITIONAL TERMS:** The additional terms set out in Schedule 41 are hereby incorporated into and form a part of this Contract.

**42. THIS IS A LEGAL DOCUMENT. READ THIS ENTIRE DOCUMENT AND INFORMATION PAGE BEFORE YOU SIGN.**

**43. OFFER:** This offer, or counter-offer, will be open for acceptance until the time and date specified in Clause 11.1 (unless withdrawn in writing with notification to the other party of such revocation prior to notification of its acceptance), and upon acceptance of the offer, or counter-offer, by accepting in writing and notifying the other party of such acceptance, there will be a binding Contract of Purchase and Sale on the terms and conditions set forth.

X

WITNESS

BUYER

SEAL 1B Investments Ltd

PRINT NAME

X

WITNESS

BUYER

SEAL or nominee

PRINT NAME

**44. ACCEPTANCE:** The Seller (a) hereby accepts the above offer and agrees to complete the sale upon the terms and conditions set out above, (b) agrees to pay a commission as per the Listing Contract, and (c) authorizes and instructs the Buyer and anyone acting on behalf of the Buyer or Seller to pay the commission out of the cash proceeds of sale and forward copies of the Seller's Statement of Adjustments to the Cooperating/Listing Brokerage, as requested, forthwith after completion.

Seller's acceptance is dated

November 9

yr. 2018

The Seller declares their residency:

RESIDENT OF CANADA

--	--

INITIALS

NON-RESIDENT OF CANADA

--	--

INITIALS

as defined under the *Income Tax Act*.

X

WITNESS

SELLER

SEAL CG(Hastings&amp;Beta)Properties

PRINT NAME

X

WITNESS

SELLER

SEAL

PRINT NAME

# CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE SCHEDULE



BRITISH COLUMBIA  
REAL ESTATE  
ASSOCIATION



THE CANADIAN  
BAR ASSOCIATION  
British Columbia Branch

MLS® NO.:

DATE: October 29, 2018

PAGE \_\_\_\_ of \_\_\_\_ PAGES

RE: ADDRESS 4717 & 4725 Hastings Street Burnaby, BC V5C 2K8

STRATA LOT 9 & 10, DISTRICT LOT 122, GROUP 1, NWD, Strata Plan EPS2787 together with an interest in the common property in proportion to the unit entitlement of the strata lots on form V

## LEGAL DESCRIPTION

PID: 029-636-876 & 029-636-884

FURTHER TO THE CONTRACT OF PURCHASE AND SALE DATED Oct. 29, 2018

MADE BETWEEN 1B Investments Ltd or nominee AS BUYER, AND  
CG(HASTINGS & BETA) Properties Ltd AS SELLER AND COVERING

THE ABOVE-MENTIONED PROPERTY, THE UNDERSIGNED HEREBY AGREE AS FOLLOWS:

No prior encumbrances, liens, CPL at subject removal date

Review of Kumon lease, maintenance contracts, strata reports and/or building maintenance reports.

Subject to financing approval on or before November 19, 2018

Can be assigned at no cost or fee's

X  
WITNESS

BUYER



1B Investments Ltd  
PRINT NAME

X  
WITNESS

BUYER



or nominee  
PRINT NAME

X  
WITNESS

SELLER



CG(HASTINGS & BETA)  
PRINT NAME

X  
WITNESS

SELLER

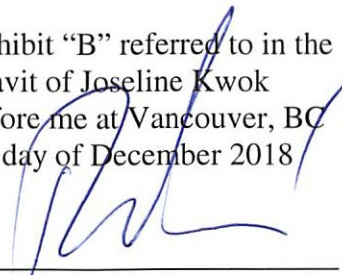


Properties Ltd  
PRINT NAME

\*PREC represents Personal Real Estate Corporation

Trademarks are owned or controlled by The Canadian Real Estate Association (CREA) and identify real estate professionals who are members of CREA (REALTOR®) and/or the quality of services they provide (MLS®).

This is Exhibit "B" referred to in the  
affidavit of Joseline Kwok  
sworn before me at Vancouver, BC  
this 3<sup>rd</sup> day of December 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



**CONTRACT OF PURCHASE AND SALE  
FOR COMMERCIAL REAL ESTATE  
SCHEDULE**



REAL ESTATE  
ASSOCIATION



THE CANADIAN  
BAR ASSOCIATION  
British Columbia Branch

000011

MLS® NO.:

DATE: Nov 27, 2018

PAGE \_\_\_\_ of \_\_\_\_ PAGES

RE: ADDRESS 4717 & 4725 Hastings Street Burnaby, BC V5C 2K8

STRATA LOT 9 & 10, DISTRICT LOT 122, GROUP 1, NWD, Strata Plan EPS2787 together with an interest in the common property in proportion to the unit entitlement of the strata lots on form V

**LEGAL DESCRIPTION**

PID: 029-636-876 & 029-636-884

FURTHER TO THE CONTRACT OF PURCHASE AND SALE DATED Oct.29, 2018

MADE BETWEEN IB Investments Ltd or nominee AS BUYER, AND  
CG(HASTINGS & BETA) Properties Ltd AS SELLER AND COVERING

THE ABOVE-MENTIONED PROPERTY, THE UNDERSIGNED HEREBY AGREE AS FOLLOWS:

Subject removals are hereby removed for all items listed on November 19, 2018. Upon confirmation of CPL discharge in hand of lawyers prior to execution of legal documents.

X  
WITNESS

BUYER



IB Investments Ltd

PRINT NAME

X  
WITNESS



or nominee

PRINT NAME

X  
WITNESS



CG(HASTINGS & BETA)

PRINT NAME

X  
WITNESS



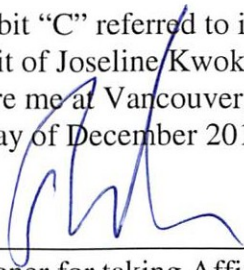
Properties Ltd

PRINT NAME

\*PREC represents Personal Real Estate Corporation

Trademarks are owned or controlled by The Canadian Real Estate Association (CREA) and identify real estate professionals who are members of CREA (REALTOR®) and/or the quality of services they provide (MLS®)

This is Exhibit "C" referred to in the  
affidavit of Joseline Kwok  
sworn before me at Vancouver, BC  
this 3<sup>rd</sup> day of December 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

## CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE INFORMATION ABOUT THIS CONTRACT

**THIS INFORMATION IS INCLUDED FOR THE ASSISTANCE OF THE PARTIES ONLY. IT DOES NOT FORM PART OF THE CONTRACT AND SHOULD NOT AFFECT THE PROPER INTERPRETATION OF ANY OF ITS TERMS.**

1. **CONTRACT:** This document, when signed by both parties, is a legally binding contract. **READ IT CAREFULLY.** The parties should ensure that everything that is agreed to is in writing.
2. **DEPOSIT(S):** Section 28 of the *Real Estate Services Act* requires that money held by a brokerage in respect of a real estate transaction for which there is an agreement between the parties for the acquisition and disposition of the real estate be held by the brokerage as a stakeholder. The money is held for the real estate transaction and not on behalf of one of the parties. If a party does not remove a subject clause, the brokerage requires the written agreement of both parties in order to release the deposit. If both parties do not sign the agreement to release the deposit, then the parties will have to apply to court for a determination of the deposit issue.
3. **COMPLETION:** (Clauses 6.1 and 17) Unless the parties are prepared to actually meet at the Land Title Office and exchange title documents for the Purchase Price, it is, in every case, advisable for the completion of the sale to take place in the following sequence:
  - a. The Buyer pays the Purchase Price or down payment in trust to the Buyer's Lawyer or Notary (who should advise the Buyer of the exact amount required) several days before the Completion Date, and the Buyer signs the documents.
  - b. The Buyer's Lawyer or Notary prepares the documents and forwards them for signature to the Seller's Lawyer or Notary who returns the documents to the Buyer's Lawyer or Notary.
  - c. The Buyer's Lawyer or Notary then attends to the deposit of the signed title documents (and any mortgages) in the appropriate Land Title Office.
  - d. The Buyer's Lawyer or Notary releases the sale proceeds at the Buyer's Lawyer's or Notary's office.

Since the Seller is entitled to the Seller's proceeds on the Completion Date, and since the sequence described above takes a day or more, it is strongly recommended that the Buyer deposits the money and the signed documents **AT LEAST TWO DAYS** before the Completion Date, or at the request of the Conveyancer, and that the Seller delivers the signed transfer documents no later than the morning of the day before the Completion Date.

While it is possible to have a Saturday or Sunday Completion Date using the Land Title Office's Electronic Filing System, parties are strongly encouraged **NOT** to schedule a Saturday Completion Date as it will restrict their access to fewer lawyers or notaries who operate on Saturdays; lenders will generally not fund new mortgages on Saturdays; lenders with existing mortgages may not accept payouts on Saturdays; and other offices necessary as part of the closing process may not be open.

4. **POSSESSION:** (Clauses 7.1 and 18) The Buyer should make arrangements through the real estate licensees for obtaining possession. The Seller will not generally let the Buyer move in before the Seller has actually received the sale proceeds. Where residential tenants are involved, Buyers and Sellers should consult the *Residential Tenancy Act*.
5. **ADJUSTMENT:** (Clauses 8.1 and 19) The Buyer and Seller should consider any additional adjustments that are necessary given the nature of the Property and how any costs are payable by tenants and whether the Seller holds any of the tenant's funds with respect to such costs.
6. **TITLE:** (Clause 22) It is up to the Buyer to satisfy the Buyer on matters of zoning or building or use restrictions, toxic or environmental hazards, encroachments on or by the Property and any encumbrances which are staying on title before becoming legally bound. It is up to the Seller to specify in the Contract if there are any encumbrances, other than those listed in Clause 22 and Schedule 22, which are staying on title before becoming legally bound. If you as the Buyer are taking out a mortgage, make sure that title, zoning and building restrictions are all acceptable to your mortgage company. In certain circumstances, the mortgage company could refuse to advance funds. If you as the Seller are allowing the Buyer to assume your mortgage, you may still be responsible for payment of the mortgage, unless arrangements are made with your mortgage company.
7. **CUSTOMARY COSTS:** (Clause 31) In particular circumstances there may be additional costs, but the following costs are applicable in most circumstances:

### Costs to be Borne by the Seller

Lawyer or Notary Fees and Expenses:  
- attending to execution documents.

Costs of clearing title, including:

- discharge fees charged by encumbrance holders,
- prepayment penalties.
- Real Estate Commission (plus GST).
- Goods and Services Tax (if applicable).

### Costs to be Borne by the Buyer

Lawyer or Notary Fees and Expenses:

- searching title,
- investigating title,
- drafting documents.
- Land Title Registration fees.
- Survey Certificate (if required).
- Costs of Mortgage, including:
- mortgage company's Lawyer/Notary.

- appraisal (if applicable).

Land Title Registration fees.

Fire Insurance Premium.

Sales Tax (if applicable).

Property Transfer Tax.

Goods and Services Tax (if applicable).

In addition to the above costs there may be financial adjustments between the Seller and the Buyer pursuant to Clause 19.

8. **RISK:** (Clause 32) The Buyer should arrange for insurance to be effective as of 12:01 am on the earlier of the Completion Date. The Seller should maintain the Seller's insurance in effect until the later of the date the Seller receives the proceeds of sale, or the date the Seller vacates the property.
9. **FORM OF CONTRACT:** This Contract of Purchase and Sale is designed primarily for the purchase and sale of freehold commercial real estate. If your transaction involves:
  - a building under construction
  - an operating business with or without employees being hired
  - a sale and purchase of shares in the owner of the Property
  - the purchase of a leasehold interest
  - other special circumstances
 additional provisions, not contained in this form, may be needed, and professional advice should be obtained.



BRITISH COLUMBIA  
REAL ESTATE  
ASSOCIATION



THE CANADIAN  
BAR ASSOCIATION  
British Columbia Branch

PAGE 1 of \_\_\_\_\_ PAGES

## CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE

MLS® NO: \_\_\_\_\_ DATE: \_\_\_\_\_

The Buyer agrees to purchase the Property from the Seller on the following terms and subject to the following conditions:

### PART 1 - INFORMATION SUMMARY

<b>1. Prepared By</b>		
1.1 Name of Brokerage		
1.2 Brokerage Address		
1.3 Licensee's Name		Phone No.
1.4 Personal Real Estate Corporation		
1.5 Licensee's Email Address		Fax No.
1.6 Brokerage Phone No.		Fax No.
<b>2. Parties to the Contract</b>		
2.1 Seller <u>CG(HASTINGS &amp; BETA)Properties Ltd</u>		
Seller _____		
2.2 Seller's Address	4723 Hastings Street	Burnaby, BC V5C 2K8
2.3 Seller's Phone No.	Fax No.	
2.4 Seller's Email Address		
2.5 Seller's Incorporation No.	2.6 Seller's GST No.	
2.7 Buyer <u>1158233 B.C. Ltd</u>		
Buyer or nominee _____		
2.8 Buyer's Address	2008-5511 Hollybridge Way	Richmond, B.C. V7C 0A3
2.9 Buyer's Phone No.	Fax No.	
2.10 Buyer's Email Address		
2.11 Buyer's Incorporation No.	2.12 Buyer's GST No.	
<b>3. Property</b>		
3.1 Civic Address of Property	4723 Hastings Street Burnaby, BC	
3.2 Legal Description of Property		
STRATA LOT 11, DISTRICT LOT 122, GROUP 1,NWD, Strata Plan EPS2787 together with an interest in the common property in proportion to the unit entitlement of the strata lots on form V		
PID 029-636-892		2,100,000.00 <del>2,850,000.00</del>
<b>4. Purchase Price</b>		<b>Clause</b>
Two Million <del>EIGHT HUNDRED FIFTY THOUSAND</del> ONE <del>THOUSAND</del>		14
		Dollars

INITIALS



4723 Hastings Street

Burnaby, BC

PAGE 2 of \_\_\_\_\_ PAGES

## PROPERTY ADDRESS

<b>5. Deposit</b>	<b>Clause</b>
5.1 Deposit To Be Provided By The Following Date: <input checked="" type="checkbox"/> within 48 hours of acceptance of offer or counter-offer <input type="checkbox"/> Date _____ <input type="checkbox"/> other _____	15
5.2 Amount of Deposit \$10,000.00, balance to be paid upon removal of Conditions Precedent.	15
5.3 Deposit To Be Paid In Trust To Kuhl Law Corporation	15
<b>6. Completion Date</b>	
6.1 Completion Date December 13, 2018	17
<b>7. Possession Date</b>	
7.1 Possession Date December 14, 2018	18
7.2 Vacant Possession Yes <input type="checkbox"/> No <input type="checkbox"/> 7.3 All Existing Tenancies Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	18
<b>8. Adjustment Date</b>	
8.1 Adjustment Date December 13, 2018	19
<b>9. Viewing Date</b>	
9.1 Viewing Date September 28, 2018	21
<b>10. Agency Disclosure</b>	
10.1 Seller's Designated Agent Licensee _____ Licensee _____ Brokerage _____	38A
10.2 Buyer's Designated Agent Licensee _____ Licensee _____ Brokerage _____	38B
10.3 Limited Dual Agency Designated Agent Licensee _____ Licensee _____ Brokerage _____	38C
10.4 Date of Limited Dual Agency Agreement NOV. 9, 2018 [Signature]	38C
<b>11. Acceptance</b> NOV. 7, 2018 [Signature]	
11.1 Offer Open Until - Date November 5, 2018 Time 12:00 PM	43
<b>12. Schedules</b>	
15 Deposit \$10,000.00 within 48 hrs of acceptance Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	15
16A Buyer's Conditions Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	16
16B Seller's Conditions Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	16
18 Accepted Tenancies Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	18
20A Additional Included Items Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	20
20B Excluded Items Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	20
22 Additional Permitted Encumbrances Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	22
23 Additional Seller's Warranties and Representations Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	23
24 Additional Buyer's Warranties and Representations Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	24
41 Additional Terms Attached Yes <input type="checkbox"/> No <input type="checkbox"/>	41






INITIALS

**PART 2 - TERMS**

**13. INFORMATION SUMMARY:** The Information Summary being Part 1 to this Contract of Purchase and Sale for Commercial Real Estate and the Schedules attached to this Contract of Purchase and Sale for Commercial Real Estate, form an integral part of this offer. The Seller and Buyer acknowledge that they have read all of Part 1 and Part 2 and the Schedules to this Contract of Purchase and Sale for Commercial Real Estate.

**14. PURCHASE PRICE:** The purchase price of the Property will be the amount set out in Clause 4.1 (Purchase Price).

**15. DEPOSIT:** A deposit in the amount set out in Clause 5.2 which will form part of the Purchase Price, will be paid in accordance with Clause 26 except as otherwise set out in Schedule 15 and on the terms set out in Schedule 15. All monies paid pursuant to this Clause (the "Deposit") will be delivered in trust to the party identified in Clause 5.3 and held in trust in accordance with the provisions of the *Real Estate Services Act*. In the event the Buyer fails to pay the Deposit as required by this Contract, the Seller may, at the Seller's option, terminate this Contract. The party who receives the Deposit is authorized to pay all or any portion of the Deposit to the Buyer's or Seller's conveyancer (the "Conveyancer") without further written direction of the Buyer or Seller, provided that: (a) the Conveyancer is a Lawyer or Notary; (b) such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and (c) if the sale does not complete, the money should be returned to such party as stakeholder or paid into Court.

**16. CONDITIONS:** The obligations of the Buyer described in this Contract are subject to the satisfaction or waiver of the conditions precedent set out in Schedule 16A, if any (the "Buyer's Conditions"). The Buyer's Conditions are inserted for the sole benefit of the Buyer. The satisfaction or waiver of the Buyer's Conditions will be determined in the sole discretion of the Buyer and the Buyer agrees to use reasonable efforts to satisfy the Buyer's Conditions. The Buyer's Conditions may only be satisfied or waived by the Buyer giving written notice (the "Buyer's Notice") to the Seller on or before the time and date specified for each condition. Unless each Buyer's Condition is waived or declared fulfilled by delivery of the Buyer's Notice to the Seller on or before the time and date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.

The obligations of the Seller described in this Contract are subject to the satisfaction or waiver of the conditions precedent set out in Schedule 16B, if any (the "Seller's Conditions"). The Seller's Conditions are inserted for the sole benefit of the Seller. The satisfaction or waiver of the Seller's Conditions will be determined in the sole discretion of the Seller and the Seller agrees to use reasonable efforts to satisfy the Seller's Conditions. These conditions may only be satisfied or waived by the Seller giving written notice (the "Seller's Notice") to the Buyer on or before the time and date specified for each condition. Unless each Seller's Condition is waived or declared fulfilled by delivery of the Seller's Notice to the Buyer on or before the time and date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.

**17. COMPLETION:** The sale will be completed on the date specified in Clause 6.1 (Completion Date) at the appropriate Land Title Office.

**18. POSSESSION:** The Buyer will have possession of the Property at the time and on the date specified in Clause 7.1 (Possession Date) with vacant possession if so indicated in Clause 7.2, or subject to all existing tenancies if so indicated in Clause 7.3; or subject to the specified tenancies set out in Schedule 18, if so indicated in Clause 12 (if Clause 7.3 or 12 is selected, such tenancies shall be the "Accepted Tenancies").

**19. ADJUSTMENTS:** The Buyer will assume and pay all taxes, rates, local improvement assessments, fuel, utilities, insurance, rents, tenant deposits including interest, prepaid rents, and other charges from, and including, the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of the date specified in Clause 8.1 (the "Adjustment Date").

**20. INCLUDED ITEMS:** The Purchase Price includes the Accepted Tenancies, any buildings, improvements, fixtures, appurtenances and attachments thereto, and all security systems, security bars, blinds, awnings, curtain rods, tracks and valances, fixed mirrors, fixed carpeting, electric, plumbing, heating and air conditioning fixtures and all appurtenances and attachments thereto as viewed by the Buyer at the date of inspection, together with those items set out in Schedule 20A but excluding those items set out in Schedule 20B.



**21. VIEWED:** The Property and all included items will be in substantially the same condition at the Possession Date as when viewed by the Buyer on the date specified in Clause 9.1.

			
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INITIALS

## PROPERTY ADDRESS

- 22. TITLE:** Free and clear of all encumbrances except subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, the Accepted Tenancies and any additional permitted encumbrances set out in Schedule 22.
- 23. ADDITIONAL SELLER'S WARRANTIES AND REPRESENTATIONS:** In addition to the representations and warranties set out in this Contract, the Seller makes the additional representations and warranties set out in Schedule 23 to the Buyer.
- 24. ADDITIONAL BUYER'S WARRANTIES AND REPRESENTATIONS:** In addition to the representations and warranties set out in this Contract, the Buyer makes the additional representations and warranties set out in Schedule 24 to the Seller.
- 25. GST:** In addition to the Purchase Price, the applicable Goods and Services Tax ("GST") imposed under the *Excise Tax Act* (Canada) (the "Act") will be paid by the Buyer. On or before the Completion Date, the Buyer may confirm to the Seller's Lawyer or Notary that it is registered for the purposes of Part IX of the Act and will provide its registration number. If the Buyer does not confirm that it is a registrant under Part IX of the Act on or before the Completion Date, then the Buyer will pay the applicable GST to the Seller on the Completion Date and the Seller will then remit the GST as required by the Act. All taxes payable pursuant to the *Social Service Tax Act* arising out of the purchase of the Property, will be paid by the Buyer and evidence of such payment will be provided to the Seller.
- 26. TENDER:** Tender or payment of monies by the Buyer to the Seller will be by bank draft, certified cheque, cash or Lawyer's/Notary's or real estate brokerage's trust cheque.
- 27. DOCUMENTS:** All documents required to give effect to this Contract will be delivered in registerable form where necessary and will be lodged for registration in the appropriate Land Title Office by 4 pm on the Completion Date.
- 27A. SELLER'S PARTICULARS AND RESIDENCY:** The Seller shall deliver to the Buyer on or before the Completion Date a statutory declaration of the Seller containing: (A) particulars regarding the Seller that are required to be included in the Buyer's Property Transfer Tax Return to be filed in connection with the completion of the transaction contemplated by this Contract (and the Seller hereby consents to the Buyer inserting such particulars on such return); and (B) if the Seller is not a non-resident of Canada as described in the non-residency provisions of the *Income Tax Act*, confirmation that the Seller is not then, and on the Completion Date will not be, a non-resident of Canada. If on the Completion Date the Seller is a non-resident of Canada as described in the residency provisions of the *Income Tax Act*, the Buyer shall be entitled to hold back from the Purchase Price the amount provided for under section 116 of the *Income Tax Act*.
- 28. TIME:** Time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreement to pay the balance as may be necessary is entered into on or before the Completion Date, the Seller may, at the Seller's option, terminate this Contract, and, in such event, the amount paid by the Buyer will be non-refundable and absolutely forfeited to the Seller, subject to the provisions of Section 28 of the *Real Estate Services Act*, on account of damages, without prejudice to the Seller's other remedies.
- 29. BUYER FINANCING:** If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has: (a) made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration, and (c) made available to the Seller, a Lawyer's or Notary's undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds pursuant to the Canadian Bar Association (BC Branch) (Real Property Section) standard undertakings (the "CBA Standard Undertakings").
- 30. CLEARING TITLE:** If the Seller has existing financial charges to be cleared from title, the Seller, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Seller agrees that payment of the Purchase Price shall be made by the Buyer's Lawyer or Notary to the Seller's Lawyer or Notary, on the CBA Standard Undertakings to pay out and discharge the financial charges, and remit the balance, if any, to the Seller.
- 31. COSTS:** The Buyer will bear all costs of the conveyance and, if applicable, any costs related to arranging a mortgage and the Seller will bear all costs of clearing title.

			
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INITIALS

## PROPERTY ADDRESS

- 32. RISK:** All buildings on the Property and all other items included in the purchase and sale will be, and remain, at the risk of the Seller until 12:01 am on the Completion Date. After that time, the Property and all included items will be at the risk of the Buyer. If loss or damage to the Property occurs before the Seller is paid the Purchase Price, then any insurance proceeds shall be held in trust for the Buyer and the Seller according to their interests in the Property.
- 33. GOVERNING LAW:** This Contract will be governed by the laws of the Province of British Columbia. The parties submit to the exclusive jurisdiction of the courts in the Province of British Columbia regarding any dispute that may arise out of this transaction.
- 34. CONFIDENTIALITY:** Unless the transaction contemplated by this Contract is completed, the Buyer and the Seller will keep all negotiations regarding the Property confidential, and the Buyer will not disclose to any third party the contents or effect of any documents, materials or information provided pursuant to or obtained in relation to this Contract without the prior written consent of the Seller, except that each of the Buyer and the Seller may disclose the same to its employees, inspectors, lenders, agents, advisors, consultants, potential investors and such other persons as may reasonably be required and except that the Buyer and the Seller may disclose the same as required by law or in connection with any regulatory disclosure requirements which must be satisfied in connection with the proposed sale and purchase of the Property.
- 35. PLURAL:** In this Contract, any reference to a party includes that party's heirs, executors, administrators, successors and assigns; singular includes plural and masculine includes feminine.
- 36. SURVIVAL OF REPRESENTATIONS AND WARRANTIES:** There are no representations, warranties, guarantees, promises or agreements other than those set out in this Contract and any attached Schedules. All of the warranties contained in this Contract and any attached Schedules are made as of and will be true at the Completion Date, unless otherwise agreed in writing.
- 37. PERSONAL INFORMATION:** The Buyer and the Seller hereby consent to the collection, use and disclosure by the Brokerages and by the managing broker(s), associate broker(s) and representative(s) of those Brokerages (collectively the "Licensee(s)") described in Clause 38, the real estate boards of which those Brokerages and Licensees are members and, if the Property is listed on a Multiple Listing Service®, the real estate board that operates that Multiple Listing Service®, of personal information about the Buyer and the Seller:
- A. for all purposes consistent with the transaction contemplated herein;
  - B. if the Property is listed on a Multiple Listing Service®, for the purpose of the compilation, retention and publication by the real estate board that operates the Multiple Listing Service® and other real estate boards of any statistics including historical Multiple Listing Service® data for use by persons authorized to use the Multiple Listing Service® of that real estate board and other real estate boards;
  - C. for enforcing codes of professional conduct and ethics for members of real estate boards; and
  - D. for the purposes (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled *Privacy Notice and Consent*.

The personal information provided by the Buyer and Seller may be stored on databases outside Canada, in which case it would be subject to the laws of the jurisdiction in which it is located.

- 38. AGENCY DISCLOSURE:** The Seller and the Buyer acknowledge and confirm as follows (initial appropriate box(es) and complete details as applicable):

INITIALS	

- A. The Seller acknowledges having received, read and understood Real Estate Council of British Columbia (RECBC) form entitled "*Disclosure of Representation in Trading Services*" and hereby confirms that the Seller has an agency relationship with the Designated Agent(s)/Licensee(s) specified in Clause 10.1 who is/are licensed in relation to the brokerage specified in Clause 10.1.

INITIALS	

- B. The Buyer acknowledges having received, read and understood RECBC form entitled "*Disclosure of Representation in Trading Services*" and hereby confirms that the Buyer has an agency relationship with the Designated Agent(s)/Licensee(s) specified in Clause 10.2 who is/are licensed in relation to the brokerage specified in Clause 10.2.

INITIALS	

- C. The Seller and the Buyer each acknowledge having received, read and understood RECBC form entitled "*Disclosure of Risks Associated with Dual Agency*" and hereby confirm that they each consent to a dual agency relationship with the Designated Agent(s)/Licensee(s) specified in Clause 10.3 who is/are

[Signature]			[Signature]
INITIALS			



4723 Hastings Street

Burnaby, BC

PAGE 6 of \_\_\_\_\_ PAGES

PROPERTY ADDRESS

licensed in relation to the brokerage specified in Clause 10.3, having signed a dual agency agreement with such Designated Agent(s)/Licensee(s) dated the date set out in Clause 10.4.

INITIALS	

D. If only (A) has been completed, the Buyer acknowledges having received, read and understood RECBC form "Disclosure of Risks to Unrepresented Parties" from the Seller's agent listed in (A) and hereby confirms that the Buyer has no agency relationship.

INITIALS	

E. If only (B) has been completed, the Seller acknowledges having received, read and understood RECBC form "Disclosure of Risks to Unrepresented Parties" from the Buyer's agent listed in (B) and hereby confirms that the Seller has no agency relationship.

**39. ASSIGNMENT OF REMUNERATION:** The Buyer and the Seller agree that the Seller's authorization and instruction set out in clause 44(c) below is a confirmation of the equitable assignment by the Seller in the Listing Contract and is notice of the equitable assignment to anyone acting on behalf of the Buyer or Seller.

**40. ACCEPTANCE IRREVOCABLE (Buyer and Seller):** The Seller and the Buyer specifically confirm that this Contract of Purchase and Sale is executed under seal. It is agreed and understood that the Seller's acceptance is irrevocable, including without limitation, during the period prior to the date specified, for the Buyer to either:

- A. fulfill or waive the terms and conditions herein contained; and/or
- B. exercise any option(s) herein contained.

**40A. RESTRICTION ON ASSIGNMENT OF CONTRACT:** The Buyer and the Seller agree that this Contract: (a) must not be assigned without the written consent of the Seller; and (b) the Seller is entitled to any profit resulting from an assignment of the Contract by the Buyer or any subsequent assignee.

**41. ADDITIONAL TERMS:** The additional terms set out in Schedule 41 are hereby incorporated into and form a part of this Contract.

**42. THIS IS A LEGAL DOCUMENT. READ THIS ENTIRE DOCUMENT AND INFORMATION PAGE BEFORE YOU SIGN.**

**43. OFFER:** This offer, or counter-offer, will be open for acceptance until the time and date specified in Clause 11.1 (unless withdrawn in writing with notification to the other party of such revocation prior to notification of its acceptance), and upon acceptance of the offer, or counter-offer, by accepting in writing and notifying the other party of such acceptance, there will be a binding Contract of Purchase and Sale on the terms and conditions set forth.

X  
WITNESS

BUYER

SEAL 1158233 B.C. Ltd  
PRINT NAME

X  
WITNESS

BUYER

SEAL or nominee  
PRINT NAME

**44. ACCEPTANCE:** The Seller (a) hereby accepts the above offer and agrees to complete the sale upon the terms and conditions set out above, (b) agrees to pay a commission as per the Listing Contract, and (c) authorizes and instructs the Buyer and anyone acting on behalf of the Buyer or Seller to pay the commission out of the cash proceeds of sale and forward copies of the Seller's Statement of Adjustments to the Cooperating/Listing Brokerage, as requested, forthwith after completion.

Seller's acceptance is dated NOV. 9, yr. 2018

The Seller declares their residency:

RESIDENT OF CANADA

INITIALS	

NON-RESIDENT OF CANADA

INITIALS	

as defined under the *Income Tax Act*.

X  
WITNESS

SELLER

SEAL CG(Hastings&Beta)Properties  
PRINT NAME

X  
WITNESS

SELLER

SEAL  
PRINT NAME

# CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE SCHEDULE



BRITISH COLUMBIA  
REAL ESTATE  
ASSOCIATION



THE CANADIAN  
BAR ASSOCIATION  
British Columbia Branch

MLS® NO.:

DATE: October 29, 2018

PAGE \_\_\_\_ of \_\_\_\_ PAGES

RE: ADDRESS 4723 Hastings Street ..... Burnaby, BC ..... V5C 2K8

STRATA LOT 11, DISTRICT LOT 122, GROUP 1, NWD, Strata Plan EPS2787 together with an interest in the common property in proportion to the unit entitlement of the strata lots on form V

LEGAL DESCRIPTION

PID: 029-636-892

FURTHER TO THE CONTRACT OF PURCHASE AND SALE DATED Oct. 29, 2018

MADE BETWEEN 1158233 B.C. Ltd ..... or nominee ..... AS BUYER, AND  
CG(HASTINGS & BETA) Properties Ltd ..... AS SELLER AND COVERING

THE ABOVE-MENTIONED PROPERTY, THE UNDERSIGNED HEREBY AGREE AS FOLLOWS:

Removal of all prior encumbrances, liens, CPL at subject removal date

Review of all leases, maintenance contracts, strata reports and/or building maintenance reports.

Renegotiate lease of office tenant

Subject to financing approval on or before November 15, 2018

Can be assigned at no fee's at the purchasers discretion

X  
WITNESS

BUYER

SEAL

1158233 B.C. Ltd

PRINT NAME

X  
WITNESS

BUYER

SEAL

or nominee

PRINT NAME

X  
WITNESS

SELLER

SEAL

CG(HASTINGS & BETA)

PRINT NAME

X  
WITNESS

SELLER

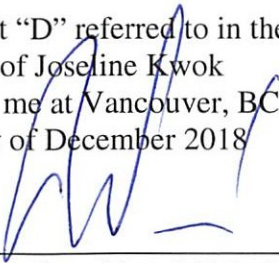
SEAL

PRINT NAME

\*PREC represents Personal Real Estate Corporation

Trademarks are owned or controlled by The Canadian Real Estate Association (CREA) and identify real estate professionals who are members of CREA (REALTOR®) and/or the quality of services they provide (MLS®).

This is Exhibit "D" referred to in the  
affidavit of Joseline Kwok  
sworn before me at Vancouver, BC  
this 3<sup>rd</sup> day of December 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

000022

# CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE SCHEDULE

REAL ESTATE  
ASSOCIATIONTHE CANADIAN  
BAR ASSOCIATION  
British Columbia Branch

MLS\* NO.:

DATE: November 27, 2018

PAGE \_\_\_\_ of \_\_\_\_ PAGES

RE: ADDRESS 4723 Hastings Street Burnaby, BC V5C 2K8



STRATA LOT 11, DISTRICT LOT 122, GROUP 1, NWD, Strata Plan EPS2787 together with an interest in the common property in proportion to the unit entitlement of the strata lots on form V

LEGAL DESCRIPTION

PID: 029-636-892FURTHER TO THE CONTRACT OF PURCHASE AND SALE DATED Oct. 29, 2018MADE BETWEEN 1158233 B.C. Ltd or nominee AS BUYER, AND  
CG(HASTINGS & BETA) Properties Ltd AS SELLER AND COVERING

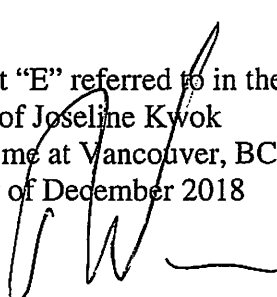
THE ABOVE-MENTIONED PROPERTY, THE UNDERSIGNED HEREBY AGREE AS FOLLOWS:

Subject removals are hereby removed for all items listed on November 15, 2018. Upon confirmation of CPL discharge in hand of lawyers prior to execution of legal documents.

X			SEAL	1158233 B.C. Ltd
WITNESS		BUYER		PRINT NAME
X			SEAL	or nominee
WITNESS		BUYER		PRINT NAME
X			SEAL	CG(HASTINGS & BETA)
WITNESS		SELLER		PRINT NAME
X			SEAL	
WITNESS		SELLER		PRINT NAME

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and/or the quality of services they provide (MLS®).

This is Exhibit "E" referred to in the  
affidavit of Joseline Kwok  
sworn before me at Vancouver, BC  
this 3<sup>rd</sup> day of December 2018

  
A Commissioner for taking Affidavits  
for British Columbia

**JEREMY D. WEST**  
*Barrister & Solicitor*  
**WATSON GOPEL LLP**  
1200 - 1075 W. Georgia Street  
Vancouver, B.C. V6E 3C8  
Tel: 604-688-1301 Fax: 604-688-8100

# CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE SCHEDULE



REAL ESTATE  
ASSOCIATION



THE CANADIAN  
BAR ASSOCIATION

MLS\* NO.:

DATE: October 29, 2018

PAGE \_\_\_\_ of \_\_\_\_ PAGES

RE ADDRESS 4723 Hastings Street Burnaby, BC V5C 2K8

STRATA LOT 11, DISTRICT LOT 122, GROUP I, NWD, Strata Plan EPS2787 together with an interest in the common property in proportion to the unit entitlement of the strata lots on form V

## LEGAL DESCRIPTION

PID: 029-636-892

FURTHER TO THE CONTRACT OF PURCHASE AND SALE DATED Oct. 29, 2018

MADE BETWEEN 1158233 B.C. Ltd or nominee AS BUYER, AND  
CG(HASTINGS & BETA) Properties Ltd AS SELLER AND COVERING

THE ABOVE-MENTIONED PROPERTY, THE UNDERSIGNED HEREBY AGREE AS FOLLOWS.

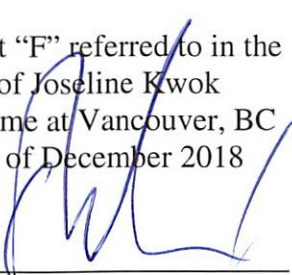
Removal of all prior encumbrances, liens, CPL at subject removal date  
Review of all leases, maintenance contracts, strata reports and/or building maintenance reports.  
Renegotiate lease of office tenant  
Subject to financing approval on or before November 15, 2018  
Can be assigned at no fee's at the purchasers discretion

\*\*\*Subject to financing approval amended due to execution of contract delay to be on or before November 27, 2018\*\*\*

X		BUYER		SEAL	1158233 B.C. Ltd
WITNESS					PRINT NAME
X		BUYER		SEAL	or nominee
WITNESS					PRINT NAME
X		SELLER		SEAL	CG(HASTINGS & BETA)
WITNESS					PRINT NAME
X		SELLER		SEAL	
WITNESS					PRINT NAME

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and/or the quality of services they provide (MLS®).

This is Exhibit "F" referred to in the  
affidavit of Joseline Kwok  
sworn before me at Vancouver, BC  
this 3<sup>rd</sup> day of December 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

**Appraisal of the  
Retail/Office Components of a  
Mixed-Use Development 'Beta'**

located at:

**4717, 4723 & 4725 Hastings Street  
Burnaby, BC**

effective date of valuation:

**March 16, 2018**

prepared for:

**Censorio Group**



April 9, 2018

GWRA Reference No.: 201802-5560

Censorio Group  
2<sup>nd</sup> Floor – 4723 Hastings Street,  
Burnaby, BC V5C 2K8

Attention: Mr. Peter Censorio

Re: **Appraisal of the Commercial Retail and Office Components of 'Beta'**  
**Located at 4717, 4723 & 4725 Hastings Street, Burnaby**

In response to your request, we have provided an appraisal report of the above-referenced property (the 'subject strata lots') with the objective of estimating current market value for the fee simple interest in the subject strata lots as described herein, as of the effective date of valuation. The function of this report is to provide *Censorio Group* with an estimate of the current market value for the subject strata lots to satisfy first mortgage underwriting criteria.

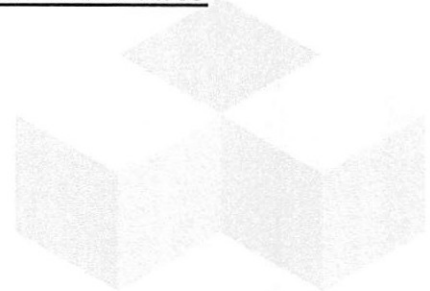
The subject development is improved with a 4-storey, mixed-use, commercial/residential building constructed circa 2015 and the subject strata lots are located on the ground and second floor of the building. The subject comprises three legal strata lots (Strata Lots 9, 10 & 11). According to measurements taken from Strata Plan EPS2787, the subject strata lots have a gross rentable area of ±8,726 sq.ft.

Although the subject strata lots comprise three separate legal entities and have the ability to be sold in separate transactions, we have provided a single market value for the three strata lots.

Based on the preceding, and as a result of our research and analysis, we are of the opinion that the market value for the subject strata lots as described herein, subject to the notable limiting conditions, as at March 16, 2018, is:

**FIVE MILLION SEVEN HUNDRED THOUSAND DOLLARS**

**(\$5,700,000)**



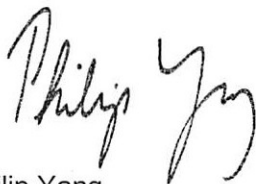
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Our report and addenda is attached and forms the basis of this opinion. Your attention is directed to the notable limiting conditions outlined herein that may have impact on our opinion. Our report has been prepared for the exclusive use of *Censorio Group*. We are not aware of any third party (parties) that are likely to see or rely on the report: liability in this respect or for any other use is expressly denied.

The report has been prepared to meet the Canadian Uniform Standards of Professional Appraisal Practice (Standards). Should you have any questions regarding this report, please contact the undersigned at your convenience.

Respectively submitted,

**Garnett Wilson Realty Advisors Ltd.**



Philip Yang

B. Tech, AIC Candidate



Steven Caldecott

B. Comm, AACI, P. App

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## **addenda**

Appendix 'A'	Copies of the Title Certificates
Appendix 'B'	Copy of the CD (Comprehensive Development), C2 (Community Commercial) and RM3 (Multiple Family Residential) Zoning Bylaws
Appendix 'C'	Copy of the Rent Roll
Appendix 'D'	Qualifications of the Appraisers

---

## 1.0 SUMMARY OF FACTS AND CONCLUSIONS

**Effective Date of Valuation:** March 16, 2018

**Type of Property:** The ground floor retail and second floor office components within a stratified, mixed-use development known as 'Beta'.

**Civic Addresses:** 4717, 4723 & 4725 Hastings Street, Burnaby, BC

**Units Areas:**

STRATA LOT 9 (4717 Hastings Street / Ground Floor)	Chez Christophe:	±2,117 sq.ft.
STRATA LOT 10 (4725 Hastings Street / Ground Floor)	Kumon:	±1,254 sq.ft.
STRATA LOT 11 (4723 Hastings Street / Second Floor)	Censorio Group:	<u>±5,355 sq.ft.</u>
		±8,726 sq.ft.

2018 Property Assessments:	STRATA LOT 9	STRATA LOT 10	STRATA LOT 11
Land:	\$1,049,000	\$666,000	\$ 912,000
Improvements:	<u>\$ 513,000</u>	<u>\$304,000</u>	<u>\$1,298,000</u>
Total:	<b>\$1,562,000</b>	<b>\$970,000</b>	<b>\$2,210,000</b>

<b>2017 Gross Property Taxes:</b>	\$17,738	\$10,923.10	\$25,016.08
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**Zoning:** CD (Comprehensive Development) based on C2 (Community Commercial District) and RM3 (Multiple Family Residential District) zoning guidelines

**Remaining Economic Life:** ±55 years

**Highest and Best Use:** Existing commercial retail and office uses as permitted under the current zoning bylaw.

---

**SUMMARY OF FACTS AND CONCLUSIONS (continued)****CONCLUSIONS**

**Stabilized Net Income:** \$214,197 (based on contract and projected rents)

**Income Approach:** \$5,700,000

**Direct Comparison Approach:** \$5,650,000

**Final Estimate of Value:** **\$5,700,000\***

\*We note that the subject is comprised of three legal strata lots and has the ability to be sold in separate transactions. As per our terms of reference, we have provided one value estimate for the subject strata lots as if sold in a single transaction.

---

## 2.0 DEFINITION OF THE APPRAISAL EXERCISE

### EFFECTIVE DATE OF VALUATION

This appraisal reflects an estimate of current market value as at March 16, 2018.

### TERMS OF REFERENCE

We have been instructed by our client (Censorio Group), to prepare an appraisal report to estimate the current market value of the fee simple interest for the subject strata lots, legally described herein as of the effective date of valuation. The subject consists of the ground floor retail and the second floor office components within a mixed-use, stratified, commercial/residential building known as 'Beta'. The subject's commercial retail/office components comprise three legal strata lots that can be sold individually.

Although the subject is comprised of three legal strata lots and has the ability to be sold in separate transactions, we have been instructed to provide a single value estimate. The subject lots have been appraised free and clear of all encumbrances except as noted otherwise herein.

### INTENDED USE OF REPORT

The intended use of the report is to provide our client with an estimate of current market value for first mortgage financing purposes.

### SCOPE OF APPRAISAL

The scope of this appraisal encompasses the research and analysis necessary to provide an estimate of current market value for the subject strata lots in accordance with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) adopted January 1, 2018.

### Inspection

- Philip Yang (AIC Candidate) completed a cursory visual inspection of the interior and exterior of the subject on March 16, 2018; however, inaccessible areas and the roof of the building were not inspected. Therefore, we recommend retaining a professional building inspector if a more detailed and technical inspection of the building is required.
- The photographs reflect the condition of the premises as of the date of inspection.

---

**DEFINITION OF THE APPRAISAL EXERCISE (continued)****Data Research**

- Reviewed title and charge documentation for the subject strata lots obtained through access to myLTSA online services. A legal opinion was not provided in conjunction with this assignment and therefore any interpretation of title or charge information is subject to review by a legal professional.
- The gross rentable areas of the subject strata lots were obtained from Strata Plan EPS2787. The areas are assumed to be correct and form the basis of this report. It is recommended they be checked for accuracy.
- Other property data (i.e. land use control, building age, servicing, topography, etc.) have been compiled from public records at the City of Burnaby.
- Sources of market evidence included, as appropriate, the local real estate board, Land Title Office transactions – including those reported by Data Systems (RealNet Canada Inc.) and local assessors, and real estate agents, vendors and purchasers active in the market, and file data maintained by GWRA.
- The 2018 property assessments and 2017 taxes for the subject strata lots were obtained from BC Assessment online computer services.
- The relevant approaches to this assignment include the Income and Direct Comparison Approaches; both approaches have been applied and later reconciled to a final estimate of market value. We have omitted the Cost Approach as the subject strata lots are part of a multi-unit development.

The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct. The mandate for the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so we did not fully document or confirm by reference to primary sources all information herein.

We did not complete technical investigations such as: detailed inspections or engineering review of the structure, roof or mechanical systems; an environmental review of the property; a site or building survey; investigations into the bearing qualities of the soils; or audits of financial and legal arrangements.



---

**DEFINITION OF THE APPRAISAL EXERCISE (continued)****Listed below are our Notable Limiting Conditions that apply to this assignment.**

1. We note that the subject is comprised of three legal strata lots and has the ability to be sold in separate transactions. As per our terms of reference, we have provided one value estimate for the subject strata lots as if sold in a single transaction.
2. The gross rentable areas of the subject strata lots were obtained from Strata Plan EPS2787. The areas are assumed to be correct and form the basis of this report. It is recommended they be checked for accuracy.
3. Relied on the rent roll provided by our client.

**STATEMENT OF COMPETENCY**

The professional staff at Garnett Wilson Realty Advisors Ltd., Philip Yang (AIC Candidate) and Steven Caldecott, AACI, P.App, the appraisers responsible for this valuation, have considerable experience in the valuation of properties similar to the subject. In this regard, we have the knowledge and experience to complete this appraisal assignment and have appraised and analyzed this type of property before.

**DEFINITIONS****DEFINITION OF MARKET RENT**

The Appraisal of Real Estate: Third Canadian Edition defines Market Rent as the rental income that a property would probably command in the open market. It is indicated by the current rents that are either paid or asked for comparable space with the same division of expenses as of the date of the appraisal. Market rent is sometimes referred to as economic rent. In this rental valuation report, Market Rent is known as Fair Market Rent.

---

**DEFINITION OF THE APPRAISAL EXERCISE (continued)****DEFINITION OF TRIPLE NET LEASE**

The Appraisal of Real Estate: Third Canadian Edition defines Triple Net Lease as rent whereby the tenant pays utilities, taxes, insurance, and maintenance, and property owner pays for structural repairs only.

**GROSS BUILDING AREA**

Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls; includes both the superstructure floor area and the substructure of the basement area.

**GROSS LEASEABLE AREA**

Total floor area designed for the occupancy and exclusive use of tenants including basements and mezzanines; measured from the centre of joint partitioning to the outside wall surfaces.

**PROPERTY RIGHTS APPRAISED****1. FEE SIMPLE INTEREST**

The greatest interest an individual can own in land, or complete ownership in law, subject to the governmental powers of taxation, expropriation, escheat & police powers.

**2. LEASED FEE INTEREST**

After a Lessor leases his land to a lessee, the Lessor retains an interest called the leased fee. Once, the fee owner leases the land to the Lessee, the Lessor's rights to the land are subject to the rights of the lessee under the lease. The Lessor's rights include the right to receive rent payments, the right to enforce the lease conditions such as maintenance, and the right to recover complete possession and control of the property when the lease term expires.

---

**DEFINITION OF THE APPRAISAL EXERCISE (continued)****EXPOSURE TIME**

Exposure time is the estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal. It is a retrospective estimate based upon an analysis of past events assuming a competitive and open market. It is always presumed to have preceded the effective date of the appraisal. The overall concept of reasonable exposure time encompasses not only adequate, sufficient and reasonable time, but also adequate, sufficient and reasonable marketing effort. The reasonable exposure period is a function of price, time and use, not an isolated opinion of time alone. We have determined the exposure time through information gathered through sales verification and interviews of market participants. Based on our analysis, an exposure time of 3 to 6 months is reasonable, defensible, and appropriate. Garnett Wilson Realty Advisors Ltd. assumes that there would be an adequate, sufficient and reasonable marketing effort.

**DEFINITION OF MARKET VALUE**

The 'Canadian Uniform Standards of Professional Appraisal Practice' (2018 Standards), defines Market Value as:

The most probable price which a property should bring in a competitive and open market as of the specified date under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of the specified date and the passing of title from seller to buyer under conditions whereby:

- buyer and seller are typically motivated;
- both parties are well informed or well advised, and acting in what they consider their best interests;
- a reasonable time is allowed for exposure in the open market;
- payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto;
- the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.'

---

### 3.0 IDENTIFICATION OF THE SUBJECT STRATA LOTS

#### **CIVIC ADDRESSES**

4717, 4723 & 4725 Hastings Street, Burnaby

#### **REGISTERED OWNER**

Censorio Group (Hastings & Beta) Properties Ltd.

4723 Hastings Street,  
Burnaby, BC V5C 2K8

#### **TITLE NUMBERS**

CA4644606 (Strata Lot 9), CA4644607 (Strata Lot 10) & CA4644608 (Strata Lot 11)

#### **LEGAL DESCRIPTIONS**

Strata Lots 9, 10 & 11, District Lot 122, Group 1, New Westminster District, Strata Plan EPS2787; together with an interest in the common property in proportion to the unit entitlement of the strata lots as shown on Form V.

PID's: 029-636-876 (Strata Lot 9), 029-636-884 (Strata Lot 10) & 029-636-892 (Strata Lot 11)

#### **ENCUMBRANCES/CHARGES**

A perusal of the title certificates for the subject strata lots indicate the following legal notations and charges registered on title:

##### **Legal Notations (Strata Lots 9, 10 & 11):**

- Notice of Interest, Builders Lien Act (S.3(2)), See CA2485785;
- Hereto is annexed Easement (CA2803107) over Lot 70, Plan 51204; and
- Hereto is annexed Easement (CA2981777) over Lots 32 and 33, Block 6, Plan 1308.

##### **Registered Charges (Strata Lots 9, 10 & 11):**

- Easement (CA2803106) registered on October 3, 2012;
- Easement (CA2981776) registered on February 4, 2013;
- Covenant (BB3009945) registered to the City of Burnaby on July 16, 2013;

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**IDENTIFICATION OF THE SUBJECT STRATA LOTS (continued)**

- Statutory Right of Way (CA3405202) registered to the British Columbia Hydro and Power Authority on October 16, 2013;
- Statutory Right of Way (CA4226988) registered to Shaw Cablesystems Limited on February 11, 2015;
- Mortgage (CA4645536) and Assignment of Rents (CA4645537) registered to Blueshore Financial Credit Union on August 31, 2015; and
- Mortgage (CA5842620) and Assignment of Rents (CA5842621) registered to Bancorp Growth Mortgage Fund II Ltd., Bancorp Balanced Mortgage Fund II Ltd. and Bancorp Financial Services Inc. on February 28, 2017.

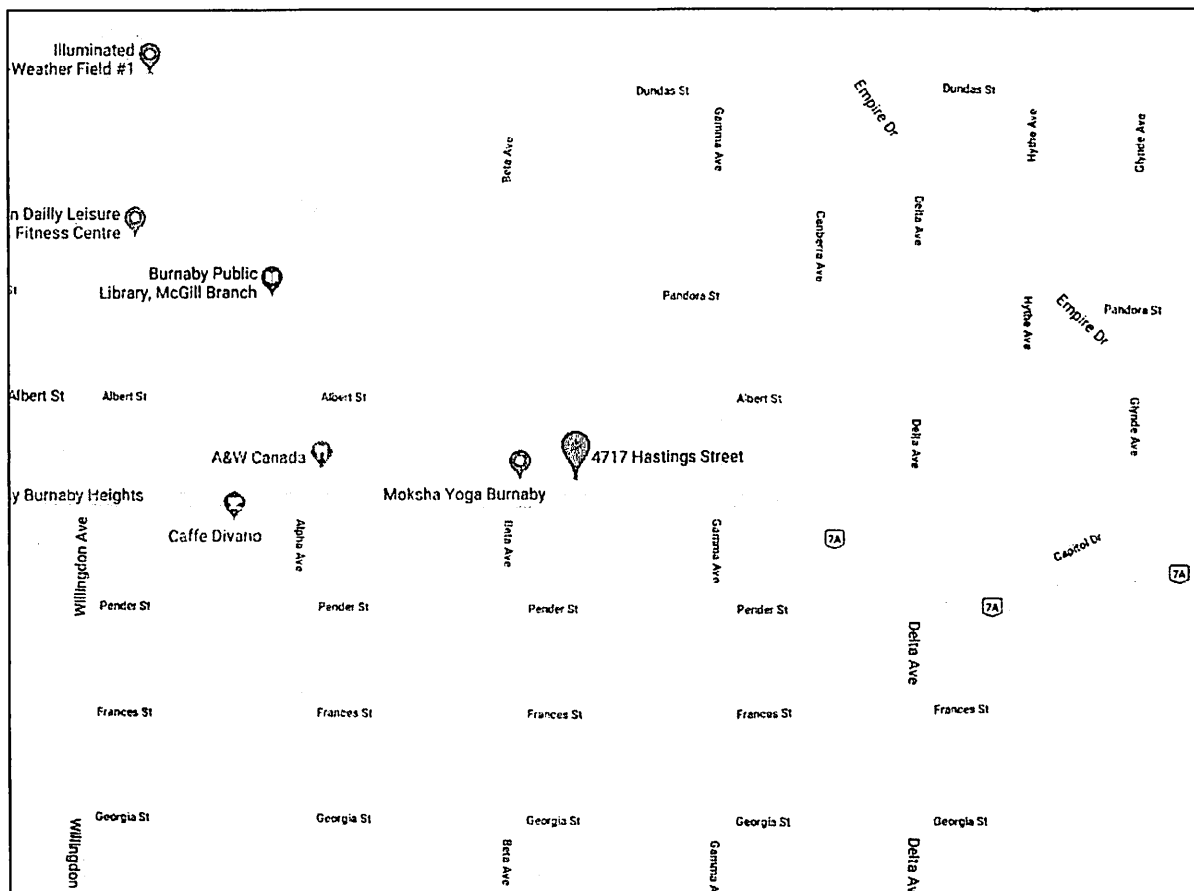
An opinion on the state of the titles or any of the encumbrances were not obtained and we have no qualifications in this legal area. If there is any concern on the part of the reader with respect to the existing legal notations and charges, we recommend the reader of this report obtain legal counsel. Under the scope of this appraisal, it is assumed that the legal notations and registered charges do not adversely affect the present or any future use of the subject strata lots as described herein. Copies of the title certificates are included in the Addenda as Appendix 'A'.

**PROPERTY HISTORY**

According to BC Assessment records, the subject strata lots were acquired by our client on August 31, 2015 for a total consideration of \$4,000,000. To the best of our knowledge, the subject strata lots are not actively being marketed or under contract for purchase and sale. We note that the sales were a transfer between related parties and are considered non-arm's length transactions.

## 4.0 MARKET AREA DESCRIPTION

The subject property is located in the Heights neighbourhood, which is situated in the northwest section of the City of Burnaby. More specifically, the subject property is situated on the north side of Hastings Street between Beta Avenue and Gamma Avenue. The location of the subject is noted on the neighbourhood map illustrated below.



Hastings Street is the major east/west traffic corridor in the subject area, which links Burnaby to eastern municipalities such as Port Moody, Coquitlam and Port Coquitlam and Vancouver to the west. Hastings Street has been developed with extensive commercial buildings and serves as an important commercial corridor for the neighbourhood. In general, the major north/south arterials in the subject area are Boundary Road and Willingdon Avenue.

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**MARKET AREA DESCRIPTION (continued)**

The areas north and south of Hastings Street are primarily improved with single-family houses and a mix of commercial buildings. The immediate subject area is comprised of a mix of commercial and mixed-use buildings fronting Hastings Street. Predominantly, the commercial buildings are of one or two-storey design containing a mix of retail, commercial and office accommodations.

The Hastings Street commercial corridor is well supported by an established residential base. Most of the commercial buildings are smaller single tenant properties; however, most new development has been in the form of larger multi-tenant buildings. The subject property is situated along Hastings Street in the prime blocks of this area and is well located in relation to Burnaby's downtown core, Vancouver and major transportation routes.

A number of properties within Burnaby North are being redeveloped with new commercial/residential mixed use or multi-family residential projects. Projects similar to the subject development located in the area include but are not limited to:

- **Siena** (4437–4449 Hastings Street), a proposed five-storey mixed-use commercial/residential development comprising 38 residential units, developed by I4 Property Holdings Inc.
- **4354 & 4356 Hastings Street**, a proposed mixed-use commercial and multi-family building of 26 residential units, developed by EPTA Properties Ltd.
- **3700 Hastings Street**, a proposed four-storey mixed-use building of 21 residential units and two levels of underground parking, developed by Jordan Kutev Architect.
- **Forte** (4475 Hastings Street), a proposed four-storey mixed-use building of 34 residential units with a total FAR of 2.86, developed by Streetside Developments.
- **4255 & 4257 Hastings Street**, a proposed four-storey mixed-use building comprising of commercial retail units at street level and market residential above. A rezoning application has been submitted to rezone the site from C8 (Urban Village Commercial District) to CD (Comprehensive Development) based on the C8 zoning.



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**MARKET AREA DESCRIPTION (continued)**

- **4215 Hastings Street**, a proposed development of a five-storey mixed-use development fronting Hastings Street and a three-storey ground-oriented development fronting Albert Street. A rezoning application has been submitted to rezone the site from the C8 (Urban Village Commercial District) and R5 (Medium Density Residential) to CD (Comprehensive Development) based on C8, RM3 (Mature Single Family Areas) and C2h (Community Commercial District).

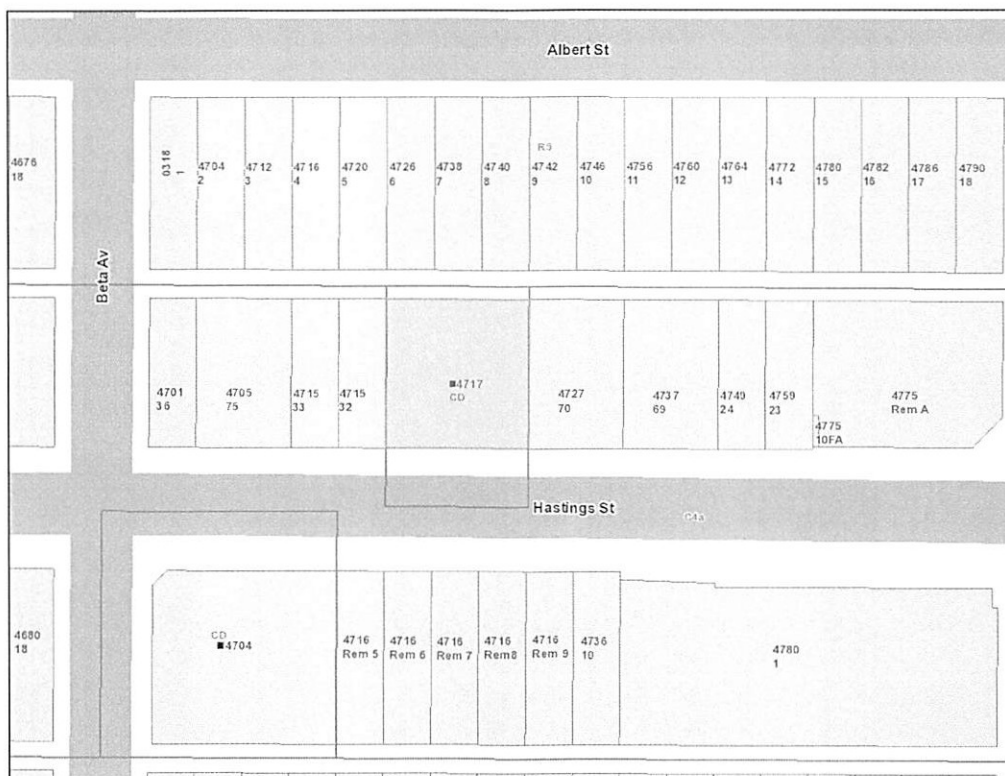
**CONCLUSION**

In summary, the subject is located in an established commercial and residential neighbourhood. Residents are attracted to this area because of the proximity to local retail shops and cafes along Hastings Street and connectivity with eastern municipalities such as Port Moody, Coquitlam and Port Coquitlam and Vancouver to the west. We are of the opinion that the subject is well located for the existing commercial uses.

## 5.0 ZONING AND PLANNING

### ZONING

The subject property is zoned CD (Comprehensive Development District) based on C2 (Community Commercial District) and RM3 (Multiple Family Residential District) zoning guidelines. A copy of the CD, C2 and RM3 zoning bylaws are attached as Appendix 'B' and fully delineate the permitted uses and regulations in effect. A zoning map for the subject area is shown below.



The C2 zoning district provides for the daily and occasional shopping needs of residents of several neighbourhoods. Uses permitted under the C2 zoning bylaw include but are not limited to animal hospitals, banks, beverage container return centres, business and professional offices, cafes or restaurants, clubs or lodges, fitness and health facilities, personal service establishments, public assembly and entertainment uses, shopping centres, accessory buildings, taxi dispatch offices, liquor license establishments, retail sale of furniture, commercial schools or mobile retail carts.

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**ZONING AND PLANNING (continued)**

The RM3 zoning district provides for a higher density of development designed largely for adults. Uses permitted under the RM3 zoning bylaw include but are not limited to uses other than group homes, multiple family dwellings, dormitory units, boarding, lodging or rooming houses, accessory buildings and uses, family child care centres, Category A supportive housing facilities or Category B supportive housing facilities.

The maximum floor area ratio (F.A.R.) permitted under the C2 zoning is 1.30 FAR, where underground parking is provided. The maximum FAR permitted under the RM3 zoning is 1.10 FAR, where underground parking is provided.

The C2 and RM3 zoning bylaws do not regulate site area or site coverage; however, restrictions are placed on site frontage, building height, building setback and floor space ratios.

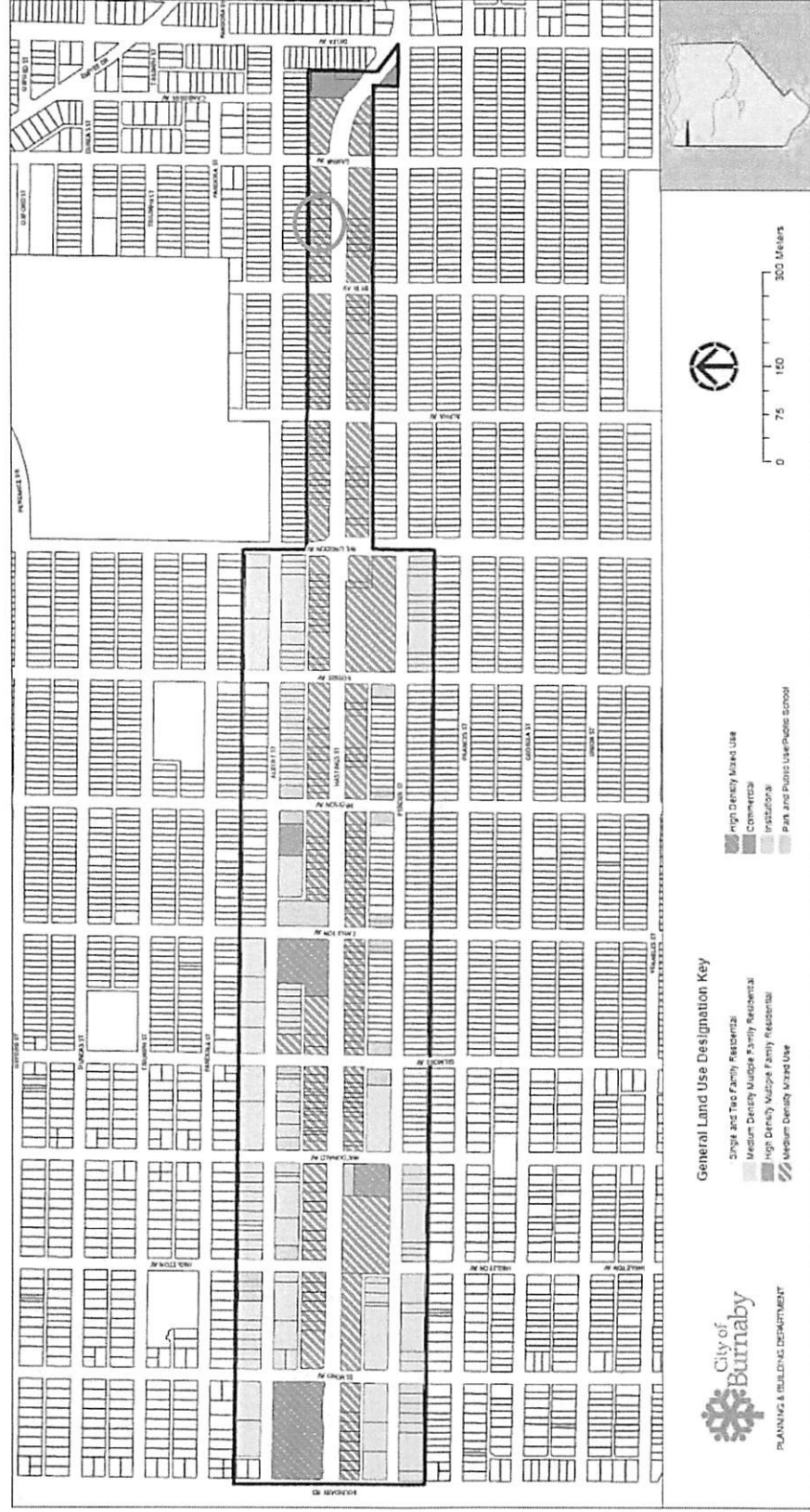
The subject's existing commercial uses appear to be legal and conform to the current zoning bylaw.

**OFFICIAL COMMUNITY PLAN**

A comprehensive Official Community Plan also governs future land uses within Burnaby. The subject property is located within the Heights community plan area, which is designated in Burnaby's OCP as an urban village accommodating non town centre multifamily development with a service commercial component. The subject property is designed for 'Medium Density Mixed Use'. The OCP map attached on the following page illustrates the designation of the property.



ZONING AND PLANNING (continued)



Updated to December 31, 2010.

## 6.0 DESCRIPTION OF THE SUBJECT STRATA LOTS

The description of the subject property appearing herein is based on our site inspection. The subject property is improved with a four-storey, wood frame, mixed-use building, known as 'Beta'. The building comprises two ground floor commercial units, a single office unit on the second floor and eight residential apartment suites located on floors three and four. The improvement is situated over one level of secured underground parking. The subject of this appraisal is the building's ground floor retail and second floor office component. An aerial map of the subject property is illustrated below.



The ground floor consists of two retail units and the second floor comprises a single office unit. The ground floor retail units have individual and direct access from Hastings Street and the second floor and residential components are accessed from a common lobby off Hastings Street. Common corridors located behind the ground floor retail units provide access to the garbage room. There are a total of 9 commercial parking stalls provided.

**DESCRIPTION OF THE SUBJECT STRATA LOTS****(continued)**

Construction comprises wood frame, brick and glass façade. There is a combination of brick exterior for the main elevations and prefabricated hardy panel throughout the building. The ground floor commercial component has large double-pane storefront windows and doors set in painted aluminum frames, a decorative brick façade, exterior signage along the front of the building and glass canopies supported by painted steel frames.

The gross rentable areas of the subject strata lots were obtained from Strata Plan EPS2787. The areas are assumed to be correct and form the basis of this report. It is recommended they be checked for accuracy.

**USE:** Mixed-use Commercial / Residential

<b>BUILDING AGE:</b>	1. Age of Improvements:	3 years
	2. Effective Age:	0 years
	3. Typical Life Expectancy:	±55 years
	4. Remaining Economic Life:	±55 years

Following is a summary of the gross rentable areas for the ground floor retail and second floor office units.

**Units Areas:**

STRATA LOT 9 (4717 Hastings Street / Ground Floor)	Chez Christophe:	±2,117 sq.ft.
STRATA LOT 10 (4725 Hastings Street / Ground Floor)	Kumon:	±1,254 sq.ft.
STRATA LOT 11 (4723 Hastings Street / Second Floor)	Censorio Group:	<u>±5,355 sq.ft.</u>
		±8,726 sq.ft.

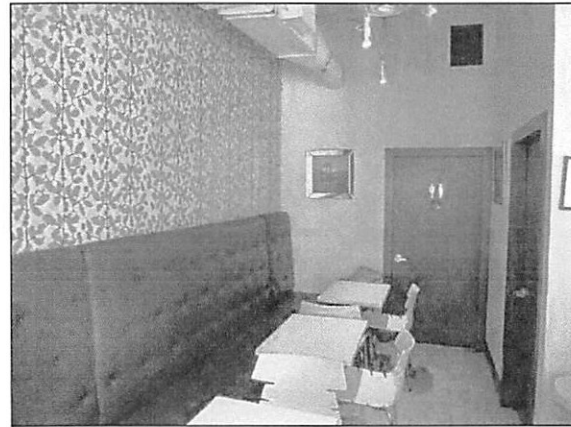
The subject of this appraisal includes the ground floor retail and second floor office components of the property 'Beta'. The retail component of the building is located within two strata lots comprising a rentable area of ±3,371 sq.ft. and the second floor comprises a single stratified office unit with a rentable area of ±5,355 sq.ft.

DESCRIPTION OF THE SUBJECT STRATA LOTS

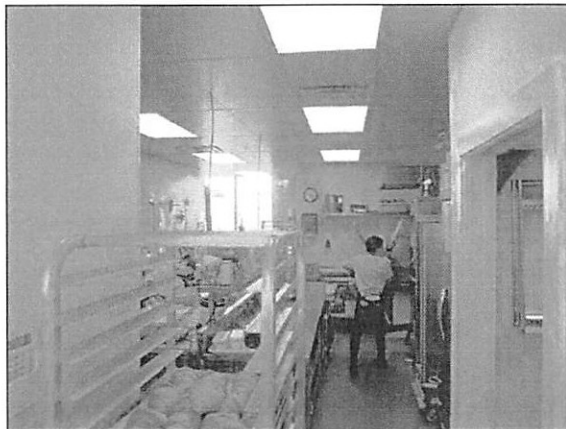
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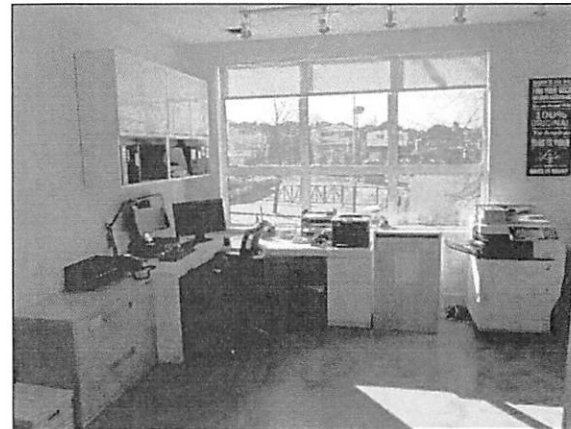
4717 Hastings Street – Service Area



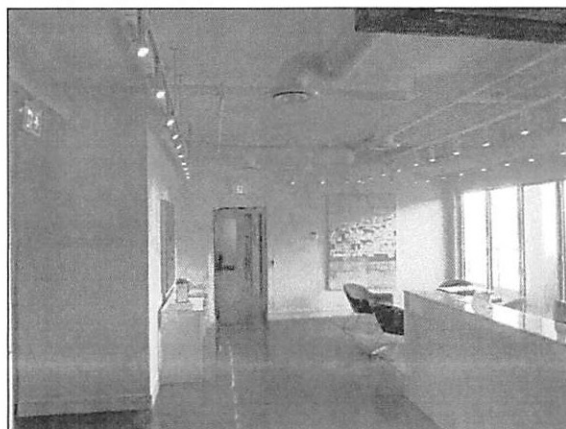
4717 Hastings Street – Dining Room



4717 Hastings Street - Kitchen



4723 Hastings Street – Enclosed Office



4723 Hastings Street – Reception Area



4723 Hastings Street – Open Office Area

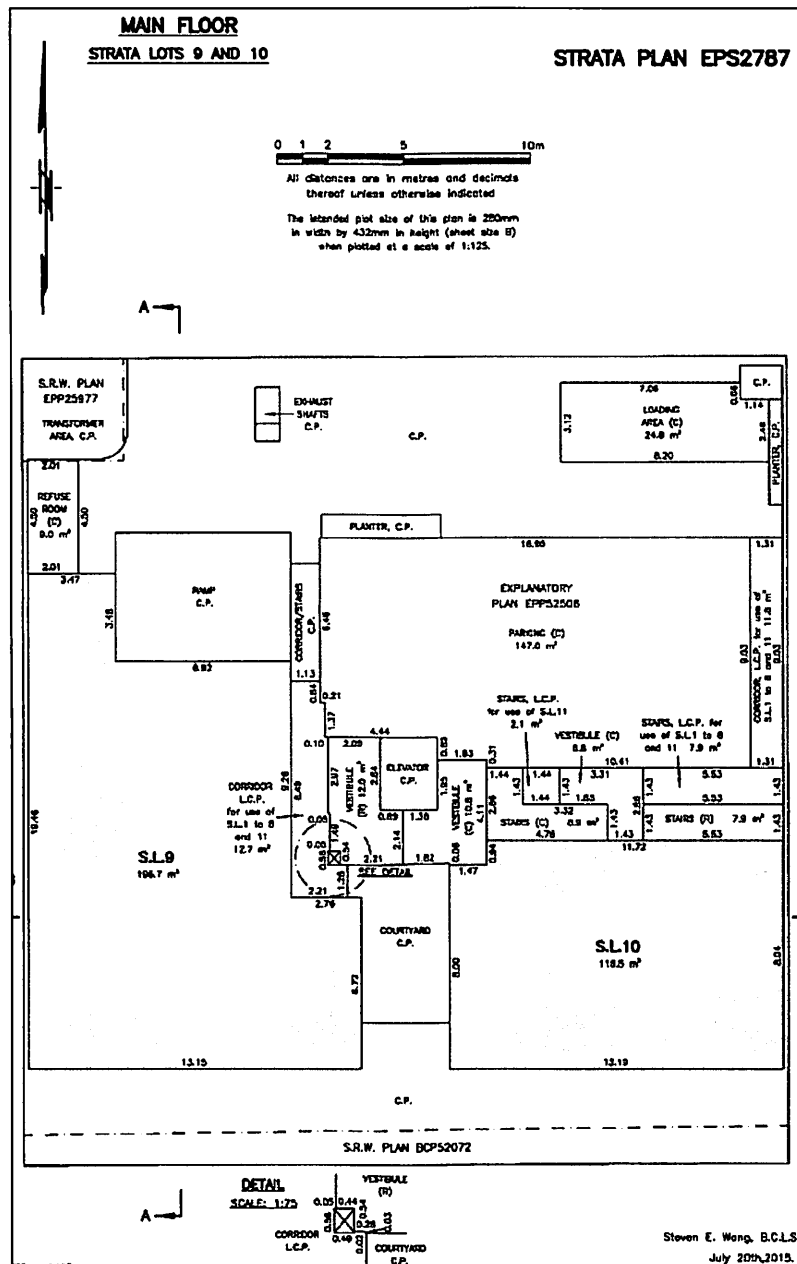




DESCRIPTION OF THE SUBJECT STRATA LOTS

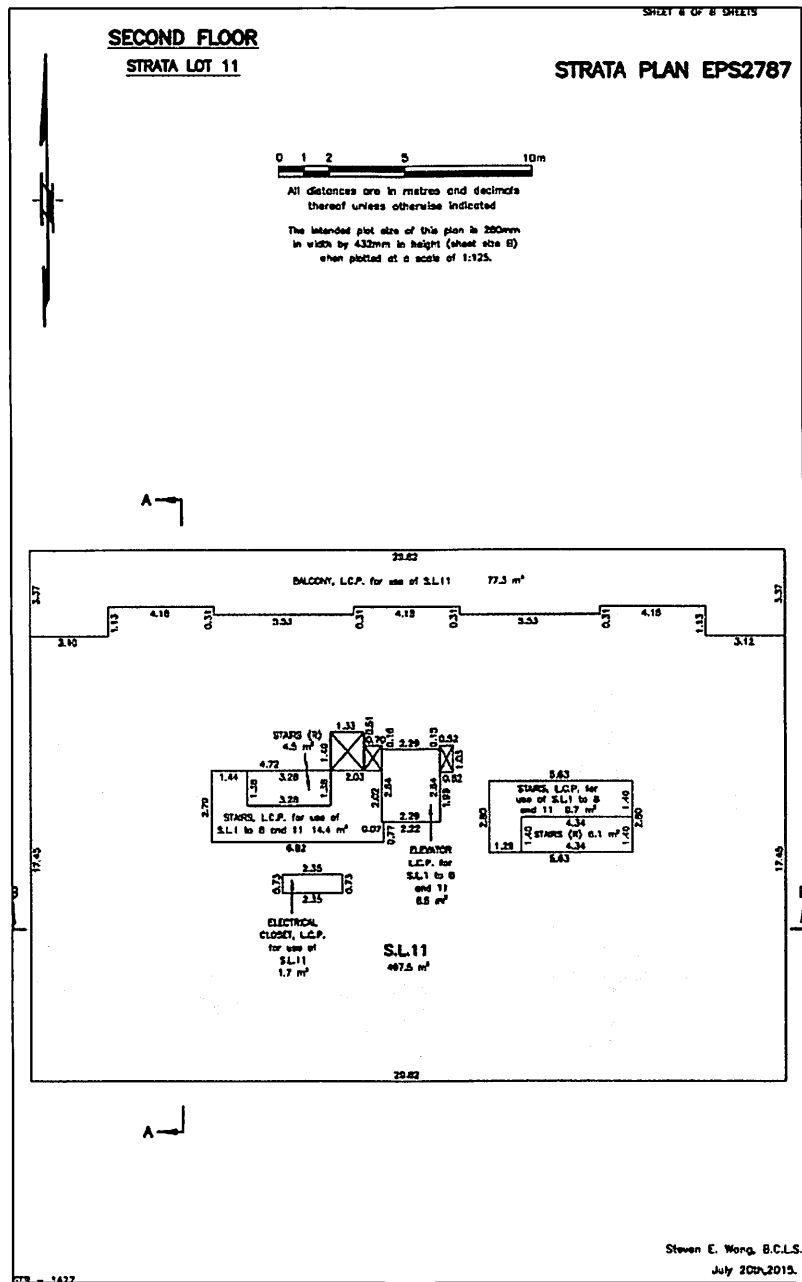
(continued)

Strata Plan EPS2787



## DESCRIPTION OF THE SUBJECT STRATA LOTS

(continued)



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**DESCRIPTION OF THE SUBJECT STRATA LOTS****(continued)****4717 Hastings Street (Strata Lot 9)**

Strata Lot 9 is a ground floor retail unit located at the southwest corner of the building with extensive frontage along the north side of Hastings Street. The unit comprises  $\pm 2,117$  sq.ft. and is currently leased to 'Chez Christophe'. The interior is demised into a front sales and dining area separated from the kitchen at the rear, a two piece washroom and a rear exit. Interior finishing includes exposed T-bar and painted gypsum board ceilings, painted gypsum board walls, decorative wallpaper, suspended fluorescent tube and recessed pot lighting and laminate and vinyl flooring.

**4725 Hastings Street (Strata Lot 10)**

Strata Lot 10 is occupied by 'Kumon' and is a ground floor retail unit located on the southeast corner of the building with frontage along the north side of Hastings Street. The  $\pm 1,254$  sq.ft. unit comprises a tutoring area, a two-piece washroom and a rear exit. The finishing for this unit includes laminate flooring, T-bar ceilings, suspended fluorescent tube lighting and painted gypsum board walls.

**4723 Hastings Street (Strata Lot 11)**

Strata Lot 11 comprises the entire second floor and is occupied by our client 'Censorio Group'. The  $\pm 5,355$  sq.ft. office unit is demised into a reception/lobby area, open office areas, enclosed offices, two-piece washrooms, a kitchen, storage rooms and a meeting room. The interior finishing includes marble and commercial carpet flooring, painted gypsum board, decorative wooden and tile walls, suspended pot lighting, painted gypsum board walls ceilings with exposed HVAC ducts

The commercial component of the project is well finished, typical of newer, good quality, mixed-use, retail and office accommodations.

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**DESCRIPTION OF THE SUBJECT STRATA LOTS****(continued)****PARKING AND AMENITIES**

The building has ground floor and one level of secured underground parking. There are a total of 15 residential stalls and 9 commercial parking stalls. A ramp leading down to the parkade is located at the rear of the building, off the rear lane. Security gates are provided for the garbage room/ground floor parking area and the underground parkade. Additional parking can be found along Hastings Street.

**CONDITION AND UTILITY**

The appraisers are not qualified to give engineering advice as it pertains to the structural nature of the improvements. During the course of our inspection, only cursory observations were made and areas inaccessible or covered were not inspected. The appraisers make no warranty as to the structural capacity of the improvements. According to BC Assessment records, the subject development was constructed circa 2015. We assume that the building is constructed in a good workmanship-like manner and that the quality of the materials used is of good standard for this type of development.

Marshall & Swift estimates that average to good quality mixed-use commercial / residential buildings have a life expectancy of approximately  $\pm 55$  years; therefore, we estimate that the remaining economic life of the building is approximately  $\pm 55$  years with ongoing maintenance.

**SUMMARY AND CONCLUSIONS**

The subject property is improved with a mixed-use development 'Beta' comprising a four-storey, wood frame structure over one level of secured underground parking. The development is attractive and contemporary in design and the layout of the commercial (CRU) components are functional and have good market appeal.

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## 7.0 HIGHEST AND BEST USE

The definition of 'Highest and Best Use' is as follows:

*'the reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value.'*

Source: (1) The Appraisal of Real Estate, Third Canadian Edition.

Many factors and appraisal principles become a consideration in the determination of 'Highest and Best Use'. These include: government regulations, supply, demand, anticipation, balance, surplus productivity, contribution, competition, etc. The definition also includes the presumption that the use is in keeping with the zoning and legal requirements.

The concept of 'Highest and Best Use' recognizes that land use patterns can change over a given period and that the optimum use of a site is determined by need or demand at any given point in time. Elements affecting value that are dependent upon events or a combination of occurrences which, while within the realm of possibility, are not shown to be reasonably probable, should be excluded from consideration. This is also the case if the intended use is dependent on the uncertain act of another person.

The subject is currently located within the four-storey, strata titled, mixed-use commercial/residential building known as 'Beta'. More specifically, the subject property is located on the north side of Hastings Street, between Beta Avenue and Gamma Avenue in the Heights neighbourhood of Burnaby. The subject property is zoned CD (Comprehensive Development District) based on the C2 (Community Commercial District) and RM3 (Multiple Family Residential District) and is designated 'Medium Density Mixed Use' in the Heights Urban Village Neighbourhood Plan.

The subject comprises the commercial space located on the ground and second floor of the mixed-use project. The ground floor retail component consists of two separate legal strata lots with rentable areas of ±2,117 and 1,254 sq.ft. and the subject's second floor office component comprises a rentable area of ±5,355 sq.ft. Ample on-site parking is provided for the commercial units on-site, off-street and below grade. Additional street parking is also available along Hastings Street.

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**HIGHEST AND BEST USE (continued)**

The subject strata lots are currently fully occupied. Strata Lot 9 is leased to Chez Christophe, Strata Lot 10 is leased to Kumon and Strata Lot 11 is occupied by Censorio Group, our client.

Based upon our review of the rental information, it is our opinion that the current contractual rents with Chez Christophe and Kumon at \$29.82 per sq.ft., net blended for the remainder of the term and \$29.08 per sq.ft., net blended for the remainder of the term are at the low end of the market. Strata Lot 10 is currently occupied by Censorio Group, our client. As such, we have projected market rent. A market rent in the range of \$23.00 per sq.ft., net would be considered appropriate for the subject's second floor office.

The existing project is in good condition and is capable of attracting commercial tenants. Based on the preceding, we are of the opinion that the Highest and Best Use of the subject, as of the effective date of valuation, is the existing commercial retail and office uses for the remainder of the property's estimated economic life.

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## 8.0 APPRAISAL METHODOLOGY

### COST APPROACH

The Cost Approach is based on the assumption that an informed purchaser will not pay more than the cost of producing a substitute property with the same utility as the subject. This involves valuing the site as though vacant and then adding the depreciated value of the improvements.

The subject strata lots are located within a multiple unit mixed-use development 'Beta'. As such, the commercial components cannot be valued independently using a depreciated cost method. Therefore, the Cost Approach has been excluded from our analysis.

### INCOME APPROACH

The Income Approach is a method of estimating the value of a property based on the present, or discounted worth of the anticipated income benefits that it may reasonably be expected to produce during the course of its Remaining Economic Life. The process of converting an income stream into an estimate of present worth is known as 'Capitalization'. The Income Approach assumes that there is a relationship between the net income capability of a property and its market value.

### DIRECT COMPARISON APPROACH

The Direct Comparison Approach is based upon the principal of substitution and assumes an informed buyer would pay no more for a property than the cost of acquiring an existing property having the same utility as the subject strata lots. This method is considered most appropriate where there is an adequate volume of recent sales data to be used in the comparison process.

In this appraisal, we have relied upon the Income and Direct Comparison Approaches to estimate the market value of the subject strata lots.

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## 9.0 INCOME APPROACH

The Income Approach is a method of estimating the value of a property based on the present, or discounted, worth of the anticipated income benefits that the property may reasonably be expected to produce during the course of its Remaining Economic Life. The process of converting an income stream into an estimate of present worth is known as 'Capitalization'. The basic steps involved in valuation by this approach are as follows:

1. estimate the gross annual income of a property less any allowances for bad debts and vacancy;
2. estimate the total annual operating expenses;
3. calculate the annual net operating income (gross annual income less annual operating expenses);
4. select an appropriate capitalization rate;
5. select an appropriate method of capitalization; and
6. using a suitable procedure, convert the anticipated annual net operating income stream into an indication of the capital value of the property.

### **ESTIMATE OF MARKET RENTAL VALUE**

The first three steps in the Income Approach result in an estimate of annual net operating income for the property being appraised. The first step in developing an operating statement is to estimate total potential income based upon its Market Rent.

Market Rent may be the actual rent payable under a lease ('contract' rent) as determined by analysis of existing lease agreements covering a property, or it may be the appraiser's estimate of the rent obtainable in the market for similar properties ('economic' or 'market' rent). In estimating 'economic' or 'market' rent, an attempt is made to determine the rent that a tenant is warranted in paying. In analyzing income potential, the quality and durability of the income stream, not just the quantity, are valid concerns, since these factors are reflected in the thinking and actions of the prudent investor.



## INCOME APPROACH (continued)

### SUBJECT LEASE DATA

The tenancy schedule for the subject is illustrated below indicating tenant names, gross leasable areas, lease terms and lease rates. According to the rent roll provided by our client, the subject strata lots are currently fully occupied as of the effective date of valuation. A copy of the rent roll can be found in the Addenda as Appendix 'C'. The commercial leases are 'triple net' meaning that in addition to the contract rent stipulated, the tenant assumes payment of all operating expenses pertaining to a property such as property taxes, building insurance, utilities and maintenance, but excluding structural repairs.

Summary of the Rental Schedule: Beta							
Strata Lot	Address	Tenant	Rentable Area (Sq.Ft.)	Lease Date Term	Net Rent Per Sq.Ft.		Total Annual Rent
9	4717 Hastings Street (Ground Floor Retail)	Chez Christophe	2,117	November 1, 2015	Yrs 1-5	\$27.37	\$57,932
				10 years	Yrs 6-8	\$29.32	\$62,070
					Yrs 9-10	\$31.27	\$66,208
					Remaining Term Blended	\$29.82	\$63,120
10	4725 Hastings Street (Ground Floor Retail)	Kumon	1,254	October 1, 2015	Yrs 1-3	\$27.51	\$34,496
				5 years	Yrs 4-5	\$29.47	\$36,960
					Remaining Term Blended	\$29.08	\$36,467
11	4723 Hastings Street (Second Floor Office)	Censorio Group (Owner Occupied)	5,355	N/A	N/A	N/A	N/A
<b>TOTAL</b>			<b>8,726</b>				

4717 Hastings Street (Strata Lot 9) is located at the southwest corner of building with frontage to Hastings Street. The unit comprises ±2,117 sq.ft. and is leased to 'Chez Christophe' on a ten year term which commenced November 1, 2015. The rental rate for years one through five is at \$27.37 per sq.ft., net escalating to \$29.32 per sq.ft., net in years six to eight and \$31.27 per sq.ft., net in years nine and ten. Taking into consideration the rental increases, we have calculated a blended net rental rate of \$29.82 per sq.ft., for the remaining balance of the term.

Strata Lot 10 is located at the southeast corner of the building and is currently leased to 'Kumon' on a five year term which commenced October 1, 2015. The rental rate for years one through three are \$27.51 per sq.ft., net increasing to \$29.47 per sq.ft., net in years four and five. Taking into consideration the rental increases, we have calculated a blended net rental rate of \$29.08 per sq.ft., for the remaining balance of the term.

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**INCOME APPROACH (continued)**

4725 Hastings Street is currently owner occupied. As such, we have projected market rent.

We have not reviewed any of the actual lease documents; therefore, we have assumed the rent roll provided by the client is accurate.

**MARKET RENTAL ANALYSIS**

In order to determine market rent for the subject strata lots, we have analyzed current lease deals and asking rental rates for similar space in the surrounding area. Most commercial leases today are on triple net terms, where the tenant, in addition to basic rent, pays a proportionate share of all expenses related to operating the property.

**ANALYSIS OF COMPARABLE RETAIL LEASE DATA**

The rental comparables summarized in the chart on the following page illustrates current and asking lease rates ranging from \$22.00 to \$35.00 per sq.ft., net for retail space, offering between ±535 and ±3,362 sq.ft. in size providing a general index of an appropriate market rental value for the subject's ground floor retail units.

Comparable One (Unit 102 – 6710 Hastings Street) is the lease renewal to Sherwin Williams commencing July 2018 at \$32.00 per sq.ft., net for a five year term. The comparable is a ±2,893 sq.ft. commercial unit located in the neighbourhood shopping centre at the southeast corner of Hastings Street and Sperling Avenue. The similar quality of interior finishing and retail appeal of the comparable provides excellent rental evidence for the subject's retail units.

Comparable Two (6661 Hastings Street) is currently listed for lease for \$22.00 per sq.ft., net defining the lower end of the range. The comparable is a single storey plus basement freestanding commercial building comprising ±1,681 sq.ft. of ground floor commercial space and ±1,681 sq.ft. of basement/storage space. Upward adjustments are made for the subject's superior quality of interior finishing and the comparables inferior basement space. Overall, a higher lease rate is supported for the subject's retail units when equated to this comparable.

**INCOME APPROACH (continued)**

Retail Lease Comparables					
No.	Address	Lease Date Lease Term	Rentable Area (Sq.Ft.)	Net Rent Per Sq.Ft.	Comments
1	Unit 102 6710 Hastings Street Burnaby	Jul-18 5 years	2,893	\$32.00	Single storey neighbourhood shopping centre constructed circa 2010 and demised into four units. Lease renewal to Sherwin Williams. Parking lot shared and includes 30 parking stalls.
2	6661 Hastings Street Burnaby	Current Listing	3,362	\$22.00	Freestanding commercial building comprising a 1,681 sq.ft. of main floor space and 1,681 sq.ft. of basement/storage space. Includes 10 surface parking stalls located at the rear of the property. Building was constructed circa 1947. Operating costs reported at approximately \$13.82 per sq.ft.
3	4715 Hastings Street Burnaby	Mar-17 5 years	3,100	\$25.00	Freestanding commercial building constructed circa 1972. Lease includes 20 on site parking stalls. Operating costs reported at \$10.79 per sq.ft.
4	4712 Hastings Street Burnaby	Jul-16 5 years	951	Yrs 1-2: \$34.07 Yrs 3-5: \$36.13 Blended: \$35.31	Ground floor retail unit located within a newer four storey, mixed-use building 'The Altezza'. The unit is leased to Nuvola Gelato & Dolci.
5	4569 Hastings Street Burnaby	Mar-17	1,416	\$35.00	Retail strata lot with a generally square shaped configuration and large frontage to Hastings Street. Unit is situated on the north side of Hastings Street east of Willingdon Avenue, within a newly constructed four-storey mixed use building. Operating costs are reported at \$12.65 per sq.ft. Landlord did not provide TI's except for 2 months free rent.
6a	CRU 1 2129 Hastings Street Burnaby	Sep-16 5 years	535	\$31.00	Located on the north side of Hastings Street between Lakewood Drive and Templeton Drive in a four-storey mixed use development constructed circa 2016. Tenant is
6b	CRU's 3 & 4 2129 Hastings Street Burnaby	Sep-16 5 years	1,051	\$33.00	CRU 1 is leased to 'Rhiannon Bernadette Whitney'.  CRU's 3 & 4 is leased to 'Trans Canada Florist'.
6c	CRU's 5 & 6 2129 Hastings Street Burnaby	Nov-16 5 years	1,054	Yrs 1-5: \$30.00 Yrs 6-10: \$32.50 Blended: \$31.25	CRU's 5 & 6 is leased to 'Mr. Red Café'.

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**INCOME APPROACH (continued)**

Comparable Three (4715 Hastings Street) represents the March 2017 lease of a  $\pm 3,100$  sq.ft., freestanding commercial building at \$25.00 per sq.ft., net for a five year term. The comparable's similar location and exposure provides good market rental evidence for the subject. Upward adjustments are required for the subject's newer building improvements and improved market conditions since March 2017.

Comparable Four (4712 Hastings Street) is a 951 sq.ft. retail unit situated in a recently built (circa 2012) four-storey, mixed-use building located on the southwest corner of Beta Avenue and Hastings Street. The lease commenced in July 2016 to 'Nuvola Gelato & Dolci' at \$34.07 per sq.ft., net and escalates to \$36.13 per sq.ft., net over the five year lease term. The comparable provides excellent market rental evidence considering the comparable's similar location, exposure and quality of interior finishing. A downward adjustment is required for the comparable's smaller unit size.

Comparable Five (4569 Hastings Street) is the March 2017 lease of a  $\pm 1,416$  sq.ft. ground floor retail unit within a new four storey, mixed-use commercial building. The comparable unit leased as shell space for \$35.00 per sq.ft., net, defining the upper end of the range. According to the listing realtor, the landlord provided two month's free rent to the tenant. Comparable Six (2129 Hastings Street) is situated on the north side of Hastings Street between Lakewood Drive and Templeton Drive in a four-storey, mixed-use development constructed circa 2016. The ground floor commercial component is currently demised into four self-contained units. The comparable units range in size from  $\pm 535$  to  $\pm 1,054$  sq.ft. and illustrate rental rates ranging from \$30.00 to \$33.00 per sq.ft., net, respectively. The comparables' similar exposure, retail appeal and location provide excellent evidence of market rent for the subject's retail component.

**ANALYSIS OF COMPARABLE OFFICE LEASE DATA**

The comparables provided on the following page illustrate current listings and recent lease transactions of similar office space. The comparables illustrate rental rates ranging from \$18.00 to \$36.00 per sq.ft., net and range in size from  $\pm 577$  to  $\pm 7,106$  sq.ft., providing a general index of an appropriate market rental value for the subject's second floor office component.

**INCOME APPROACH (continued)**

Office Lease Comparables					
No.	Address	Lease Date Lease Term	Rentable Area (Sq.Ft.)	Net Rent Per Sq.Ft.	Comments
1	4727 Hastings Street Burnaby	Current Listing	6,822	\$18.75	Two storey office building located along Hastings Street. Building was constructed circa 1973. Building features 21 offices, a board room, a kitchen, four washrooms and 18 on site parking stalls. Operating costs reported at \$6.00 per sq.ft.
2a	Unit 101 3999 Henning Drive Burnaby	Current Listing	7,106	\$21.00	Office building 'Bridge Business Centre' located at the corner of Lougheed Highway and Gilmore Avenue. Constructed circa 1999.
2b	Unit 104 3999 Henning Drive Burnaby	Sep-17	1,713	\$22.00	
2c	Unit 304 3999 Henning Drive Burnaby	Aug-17	1,956	\$18.50	
3	Unit 201 2849 North Road Burnaby	Mar-18 2 years	674	\$18.00	674 sq.ft. office unit located in a two storey commercial building constructed circa 1976. Operating costs reported at \$12.49 per sq.ft.
4	Units 302 & 303 4388 Beresford Street Burnaby	Sep-17	1,817	\$35.00	Two office units located in 'Silver' a new mixed use commercial/residential project in the Metrotown neighbourhood of Burnaby. Lease includes two parking stalls. Operating costs reported at \$15.00 per sq.ft.
5	Unit 617 4538 Kingsway Burnaby	Mar-17	577	\$36.00	577 sq.ft. office unit within Crystal Office Tower. Building was constructed circa 1999. Operating costs reported at \$15.63 per sq.ft.

Located in the adjacent property east of the subject, Comparable One (4727 Hastings Street) is a current listing of a ±6,822 sq.ft. two storey office building at \$18.75 per sq.ft., net. The subject's newer building improvements and superior quality of interior finishing warrant upward adjustments.

Comparable Two (Units 101, 104 & 304 – 3999 Henning Drive) comprises the current and 2017 office leases within 'Bridge Business Centre' located at the intersection of Lougheed Highway and Gilmore Avenue. The units range in size from ±1,713 to ±7,106 sq.ft. and leased or listed for between \$18.50 and \$22.00 per sq.ft., net. The subject's superior location and newer building improvements support upward adjustments.

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**INCOME APPROACH (continued)**

Setting the lower end of the range is Comparable Three, the recent March 2018 lease of a smaller ±674 sq.ft. office unit for \$18.00 per sq.ft., net over a two year term. The recent lease date provides some market rental evidence. Again, upward adjustments are required for the subject's superior location and newer building improvements.

Comparables Four and Five represent the 2017 leases of smaller ±1,817 and ±577 sq.ft. strata-titled office units within the Metrotown area. The units leased for \$35.00 and \$36.00 per sq.ft., net defining the upper end of the range. The comparables superior location and smaller unit sizes warrant downward adjustments. Overall, a lower lease rate is anticipated for the subject's office space when equated to these comparables.

**SUMMARY**

In estimating market rent for the subject strata lots, we have taken into consideration:

- The subject property is located on the north side of Hastings Street between Gamma Avenue and Beta Avenue in the Heights neighbourhood;
- The subject property is well suited for commercial use;
- The subject property is located within a four-storey, mixed-use, commercial/residential development with secured underground parking;
- The subject strata lots comprise two ground floor retail units and a second floor office unit with rentable areas of ±2,117, ±1,254 and ±5,355 sq.ft. functional for a wide variety of commercial retail/office tenants;
- 4717 Hastings Street is currently leased to 'Chez Christophe' at \$27.37 per sq.ft., net escalating to \$31.27 per sq.ft., net over the ten year lease term;
- 4725 Hastings Street is currently leased to 'Kumon' at \$27.51 per sq.ft., net escalating to \$29.47 per sq.ft., net over the five year term; and
- Remaining economic life of the subject improvements is estimated at ±55 years.



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## **INCOME APPROACH (continued)**

We have analyzed the comparables with consideration to a number of factors including the subject's interior finish, building age/condition, size and location.

Based upon our review of the rental information, it is our opinion that the contractual rents with Chez Christophe and Kumon at \$29.82 per sq.ft., net blended for the remainder of the term and \$29.08 per sq.ft., net blended for the remainder of the term are at the low end of the market. Strata Lot 10 is currently occupied by Censorio Group, our client. As such, we have projected market rent. A market rent in the range of \$23.00 per sq.ft., net would be considered appropriate for the subject's second floor office.

## **VACANCY AND COLLETION LOSS ALLOWANCE**

Potential income reflects the property's income at full occupancy. However, income properties may not be fully occupied over their economic lives and vacancy and collection losses must be considered. This factor, the 'vacancy rate' is normally expressed as a percentage and reflects conditions in the current market. Our review of the latest CBRE Second Half 2017 Retail Report indicates that the vacancy rate in the City of Burnaby was 1.7%. In consideration of the current leases in place, location and market appeal a collection loss allowance of 2.00% of gross income is considered appropriate for the subject's ground floor commercial retail component.

A review of Colliers Q4 2017 Metro Vancouver Office market indicated a vacancy rate of 7.00% for properties in Burnaby. Considering the location, unit size, quality of improvements and building age a collection loss allowance of 3.00% of gross income is supported for the subject's second floor office space.

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**INCOME APPROACH (continued)****OPERATING EXPENSES**

Normally in a triple net lease, the owner of the property is required to maintain the exterior and structural components of the premises. Generally, the owner will set up a reserve fund for such anticipated costs. Normal structural reserves run anywhere from \$0.10 to \$0.20 per sq.ft. depending on the age and quality of the improvements. Given the subject improvements age and condition, we have used a rate of \$0.10 per sq.ft. of total rentable area to cover structural repairs on an annual basis.

The largest expense to the property owner, during periods of vacancy, is property taxes. 2017 property taxes were \$53,677.18, which equates to \$6.15 per sq.ft. of gross rentable area. In addition to property taxes, the cost of building insurance, ground maintenance, management, etc. are incurred by the property owner during periods of vacancy.

Based on our knowledge of the market place and similar properties, we have estimated an operating cost rate in the range of say \$12.50 per sq.ft. of the gross rentable area for the subject strata lots. However, this rate has been factored downwards to reflect our experience that operating costs on vacant space are typically lower than for occupied space.

The stabilized net income for the subject strata lots are provided on the following page.



## INCOME APPROACH (continued)

4717, 4723 & 4725 HASTINGS STREET, BURNABY	
STABILIZED NET INCOME	
AS AT MARCH 2018	
<b>GROSS ANNUAL INCOME</b>	
<b>Commercial (Ground Floor Retail)</b>	
4717 Hastings Street - Chez Christophe (2,117 sq.ft. @ \$29.82 per sq.ft., net blended remainder of term)	\$63,120
4725 Hastings Street - Kumon (1,254 sq.ft. @ \$29.08 per sq.ft., net blended remainder of term)	<u>\$36,467</u>
	\$99,587
<u>Less:</u> Vacancy & Collection Loss Allowance @ 2.00%	<u>\$1,992</u>
<b>Effective Gross Income (Ground Floor Retail)</b>	\$97,595
<b>Commercial (Second Floor Office)</b>	
4723 Hastings Street - Censorio Group (5,355 sq.ft. projected @ \$23.00 per sq.ft., net)	<u>\$123,165</u>
	\$123,165
<u>Less:</u> Vacancy & Collection Loss Allowance @ 3.00%	<u>\$3,695</u>
<b>Effective Gross Income (Second Floor Office)</b>	\$119,470
<b>Total Effective Gross Income</b>	<b>\$217,065</b>
<u>Less: Non-Recoverable Operating Expenses (Ground Floor Retail)</u>	
Structural Repairs (3,371 sq.ft. x \$0.10 per sq.ft.)	\$337
Operating Costs on Stabilized Vacancies (3,371 sq.ft. x 2.00% x \$12.50 per sq.ft. x 70%)	\$590
<u>Less: Non-Recoverable Operating Expenses (Ground Floor Office)</u>	
Structural Repairs (5,355 sq.ft. x \$0.10 per sq.ft.)	\$536
Operating Costs on Stabilized Vacancies (5,355 sq.ft. x 3.00% x \$12.50 per sq.ft. x 70%)	<u>\$1,406</u>
<b>Total Non-Recoverable Operating Expenses</b>	<b><u>\$2,868</u></b>
<b>STABILIZED NET INCOME (based on contract and projected rents)</b>	<b>\$214,197</b>

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## 10.0 CAPITALIZATION PROCESS

Capitalization is defined in 'Introduction to Real Estate Appraising' published by the Appraisal Institute of Canada, as follows:

*'Capitalization, in the appraisal of real estate, may be defined as the process of converting into a present worth a series of anticipated future installments of income by the application of a factor, referred to either as a capitalization rate or a present worth factor, depending upon the process used'.*

A capitalization rate is a conversion factor, appropriate to the property being appraised that is applied to the income stream to convert it into an indication of the market value of a property.

In the capitalization process, the following steps are required:

- selection of a method of deriving the capitalization rate
- selection of an appropriate method of capitalization
- analysis of the market for the factors involved

### **SELECTION OF A CAPITALIZATION RATE**

In this appraisal, we have used the Comparative Method in selecting an appropriate capitalization rate for the subject strata lots.

Through the analysis of comparable sales, ratios between selling prices in the marketplace and the net operating income of the property being sold can be derived. With consideration given to the degree of comparability in each instance, these ratios can provide an indication of the overall rate that is applicable. Where comparable sales exist, this method is widely accepted and used in the appraisal of income producing properties since it is considered reliable, objective, and easily supported.

### **METHOD OF CAPITALIZATION**

Direct capitalization is calculated by division of the net operating income of the property by the above-described 'overall rate' derived by the Comparative Method. This is a commonly used and highly regarded method of capitalization where sufficient comparables are available to derive a reliable overall rate.

**CAPITALIZATION PROCESS (continued)**

<b>Capitalization Rate Summary</b>					
<b>No.</b>	<b>Address</b>	<b>Sale Price Sale Date</b>	<b>G.R.A. (Sq.Ft.)</b>	<b>Stabilized Net Income</b>	<b>Capitalization Rate</b>
<b>Strata Retail</b>					
1	4569 Hastings Street Burnaby	\$900,000 May-16	1,417	\$47,115	5.24%
2	5262 - 5266 Grimmer Street Burnaby	\$1,250,000 Current Listing	1,376	\$35,294	2.82%
3	7908 - 15 Avenue Burnaby	\$5,668,600 Current Listing	8,098	\$215,407 (projected)	3.80%
4	Unit 103 4501 North Road Burnaby	\$6,150,000 May-17	11,162	\$247,000	4.02%
5	Unit 103 3007 Glen Drive Burnaby	\$1,324,000 Jan-17	1,539	\$52,249	3.95%
<b>Strata Office</b>					
6	Unit 305 4388 Beresford Street Burnaby	\$885,000 Aug-17	1,152	\$37,210 (projected)	4.20%
7	Units 400/401 4388 Beresford Street Burnaby	\$1,300,000 Jan-17	1,829	\$59,961 (projected)	4.61%
8	Unit 318 4501 North Road, Burnaby Burnaby	\$395,000 Jan-17	780	\$17,410 (projected)	4.41%
9	618 East Kent Avenue South Burnaby	\$699,000 May-17	2,169	\$26,460	3.79%
<b>Freestanding Buildings</b>					
10	6668 - 6676 Hastings Street Burnaby	\$3,600,000 Jun-16	7,066	\$112,100	3.11%
11	4101 Hastings Street Burnaby	\$4,100,000 Jan-17	4,899	\$149,207	3.64%
12	7075 Kingsway Burnaby	\$5,100,000 Aug-17	4,950	\$169,290	3.32%

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**CAPITALIZATION PROCESS (continued)**

The comparables detailed in the chart from the previous page indicate capitalization rates ranging from 2.82% to 5.24%. The comparables are situated in similar commercial areas of Burnaby. For comparison purposes, the reported and projected net incomes for each were stabilized to reflect long-term vacancy, structural maintenance and non-recoverable operating expenses.

We have researched and analyzed the sales of five strata retail, four strata office and three freestanding buildings. The comparables shown reflect capitalization rates varying from 2.82% to 5.24% with a majority of the comparables lying close to the 3.50% to 4.50% range. It is our opinion that the comparables provide good support of an applicable capitalization rate for the subject strata lots.

The subject strata lots are part of a newer development, capable of providing steady rental income. The local strata commercial retail/office market remains reasonably strong. The subject's commercial component is functional in design and is fully occupied as of the effective date of valuation.

4717 Hastings Street (Strata Lot 9) is located at the southwest corner of building with frontage to Hastings Street. The unit comprises ±2,117 sq.ft. and is leased to 'Chez Christophe' on a ten year term which commenced November 1, 2015. The rental rate for years one through five is at \$27.37 per sq.ft., net escalating to \$29.32 per sq.ft., net in years six to eight and \$31.27 per sq.ft., net in years nine and ten. Taking into consideration the rental increases, we have calculated a blended net rental rate of \$29.82 per sq.ft. for the remaining balance of the term.

Strata Lot 10 is located at the southeast corner of the building and is currently leased to 'Kumon' on a five year term which commenced October 1, 2015. The rental rate for years one through three are \$27.51 per sq.ft., net increasing to \$29.47 per sq.ft., net in years four and five. Taking into consideration the rental increases, we have calculated a blended net rental rate of \$29.08 per sq.ft. for the remaining balance of the term.

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**CAPITALIZATION PROCESS (continued)**

Based upon our review of the rental information, it is our opinion that the current contractual rents with Chez Christophe and Kumon at \$29.82 per sq.ft., net blended for the remainder of the term and \$29.08 per sq.ft., net blended for the remainder of the term are at the low end of the market. Strata Lot 10 is currently occupied by Censorio Group, our client. As such we have projected market rent. A market rent in the range of \$23.00 per sq.ft., net would be considered appropriate for the subject's second floor office.

Based on our research and discussions with market participants including investors, brokers and lenders, it is our understanding that there was a significant increase in market activity in 2016 and 2017 which has continued into 2018. The Metro Vancouver property investment market remains stable. Acquisitions of commercial properties are occurring throughout the lower mainland as there appears to be significant demand from investors.

In 2017, private sellers took advantage of the continuing capitalization rate compression and high prices while private buyers took advantage of inexpensive and available debt. Inexpensive debt has contributed to the rising prices for commercial properties. Inexpensive debt has further allowed owner occupiers to obtain favourable financing that competes with increased landlord expectations for rents.

Although interest rates have recently increased and the Canadian dollar has strengthened, the real estate investment market in Metro Vancouver will likely be driven by local investors and also overseas private capital, institutional investors and pension funds. National and institutional investors may not understand the capitalization rates achieved in the local market as they often lack the supporting fundamentals that typically influence rates of return. Local investors flush with private equity often accept low yields in the short term in order to obtain potentially high yields in the long term. Development potential also remains a potent driver of local investment activity. Capitalization rates are becoming less available as there are so few investment transactions from which to draw comparables.

Good evidence is provided by the comparable sales. After consideration of the relevant factors, it is our opinion that a capitalization rate towards the mid end of the range would reflect the current market.

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**CAPITALIZATION PROCESS (continued)**

Based on our observations and our knowledge of the market generally, it is our opinion that an appropriate overall capitalization rate applicable to the stabilized net income of the subject strata lots as of March 16, 2018 would be at 3.75%.

**ESTIMATE OF VALUE UNDER THE INCOME APPROACH**

In consideration of the preceding analysis, the value of the subject strata lots as indicated by the Direct Capitalization method, subject to the Notable Limiting Conditions as of March 16, 2018 is calculated as follows:

$$\begin{array}{rcl} \text{NET OPERATING INCOME} & = & \text{\$214,197} \\ \text{OVERALL RATE} & & 3.75\% \\ & = & \text{\$5,711,920} \end{array}$$

**ROUNDED TO:**

**FIVE MILLION SEVEN HUNDRED THOUSAND DOLLARS**  
**(\$5,700,000)**

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## 11.0 DIRECT COMPARISON APPROACH

The Direct Comparison Approach implies the Principle of Substitution that states that a prudent purchaser will not pay more for a property than the price to acquire an equally desirable substitute property. The properties selected for comparison must be similar in most respects to the one being appraised.

### **ANALYSIS OF COMPARABLE DATA FOR THE COMMERCIAL RETAIL COMPONENT**

In estimating the market value of the ground floor commercial strata component within the subject development, we have analyzed sales of comparable strata titled units in mixed-use commercial/residential developments within similar areas of Burnaby and Vancouver based on a price per sq.ft. of gross rentable area. The comparables illustrate a price range from \$635 to \$908 per sq.ft. for units ranging from  $\pm 459$  to  $\pm 8,098$  sq.ft. Where necessary, we have adjusted for the comparable's location, age of development, exposure, size, and transaction dates. Comparable strata-titled commercial retail unit sales are illustrated in the chart on the following page.

Comparable One (4559, 4561 & 4569 Hastings Street, Burnaby) comprises the 2016 sales of ground floor commercial strata lots within 'Teatro' a four storey, mixed-use commercial/residential development constructed circa 2016. Similar to the subject, the comparable development is situated in the Heights neighbourhood. The comparable units sold for between \$635 and \$737 per sq.ft. for units between  $\pm 933$  and  $\pm 1,417$  sq.ft. Excellent market evidence is provided by the comparable considering the similar neighbourhood location and appeal. An upward adjustment is warranted for the improved market conditions since 2016.

Comparable Two (Unit 4 - 3961 Hastings Street, Burnaby) is situated further west of the subject on the north side of Hastings Street between McDonald Avenue and Ingleton Avenue. The comparable development, 'Verdi', is a proposed four-storey, mixed-use project comprising 30 residential condominium units over a ground floor commercial component. Reportedly, the comparable unit sold in August 2016 for \$801 per sq.ft. The similar neighbourhood location and exposure of the comparable provides good market evidence of the subject. Offsetting adjustments are made for the improved market conditions since 2016 and the comparable's smaller unit size.

**DIRECT COMPARISON APPROACH (continued)**

<b>Direct Comparison Approach (Retail)</b>					
<b>No.</b>	<b>Address</b>	<b>Sale Date</b>	<b>Sale Price</b>	<b>Unit Area (Sq.Ft.)</b>	<b>Price Per Sq.Ft.</b>
<b>1 Teatro</b>					
	4559 Hastings Street	Sep-16	\$700,000	950	\$737
	4561 Hastings Street	Aug-16	\$675,000	933	\$723
	4569 Hastings Street	May-16	\$900,000	1,417	\$635
	Burnaby				
<b>2 Verdi</b>					
	Unit 4 - 3961 Hastings Street	Aug-16	\$787,200	983	\$801
	Burnaby				
<b>3 View 388</b>					
	3623 East Hastings Street	May-17	\$320,000	459	\$697
	3619 East Hastings Street	May-17	\$390,000	590	\$661
	Vancouver				
<b>4 Oakterra</b>					
	Unit 102 - 5235 Grimmer Street	Apr-17	\$450,000	649	\$693
	Burnaby				
<b>5 Metro One</b>					
	5262 - 5266 Grimmer Street	Current Listing	\$1,250,000	1,376	\$908
	Burnaby				
<b>6 Kabana</b>					
	Unit 101 - 6888 Royal Oak Avenue	Aug-17	\$1,320,000	1,816	\$727
	Burnaby				
<b>7 The Saxon</b>					
	7908 - 15th Avenue	Current Listing	\$5,668,600	8,098	\$700
	Burnaby				
	<b>Minimum</b>			<b>459</b>	<b>\$635</b>
	<b>Maximum</b>			<b>8,098</b>	<b>\$908</b>
	<b>Average</b>			<b>1,727</b>	<b>\$728</b>



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**DIRECT COMPARISON APPROACH (continued)**

Situated west of the subject on the north side of Hastings Street, west of Boundary Road is Comparable Three (3623 & 3619 East Hastings Street, Vancouver). The comparable illustrates two May 2017 sales of ground floor commercial strata lots in a new four-storey, mixed-use development known as 'View 388', which was completed circa 2015. The comparables ground floor commercial units are  $\pm 459$  and  $\pm 590$  sq.ft. in size and sold for \$697 and \$661 per sq.ft., respectively. Although a downward adjustment is made for the smaller size of the comparable units, a greater upward adjustment is necessary for the improved market conditions. Overall, a value above the range indicated by the comparable is expected for the subject strata lots.

Comparables Four through Six illustrate the 2017 sales and a current listing of ground floor commercial strata units within newer mixed-use developments in the Royal Oak neighbourhood of Burnaby. The comparable units illustrate a value range from \$693 to \$908 per sq.ft. for strata units ranging in size from  $\pm 649$  to  $\pm 1,816$  sq.ft. A price per sq.ft. value within the comparable range is expected for the subject strata lots considering the comparables' similar quality of interior finishing and retail appeal.

Comparable Seven (7908 – 15<sup>th</sup> Avenue, Burnaby) is the current listing of 5 CRU's within 'The Saxon', a brand new mixed-use commercial/residential development in the Edmonds neighbourhood. The current list price of \$5,668,600 indicates a price per sq.ft. value of \$700 based on the gross rentable area of  $\pm 8,098$  sq.ft. Although a downward adjustment is made for the current listing status of the comparable, a greater offsetting upward adjustment is warranted for the subject's superior location along Hastings Street.

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**DIRECT COMPARISON APPROACH (continued)****RETAIL SUMMARY**

In estimating a price per sq.ft. of unit area for the subject's ground floor strata lots, the preceding comparables have been analyzed with consideration to the following items:

- The subject property is well located in the Heights neighbourhood on the north side of Hastings Street between Gamma Avenue and Beta Avenue;
- The subject strata lots are located within 'Beta' a four storey, mixed-use commercial/residential building constructed circa 2015;
- The subject's ground floor units comprise a gross rentable area of  $\pm 2,117$  and  $\pm 1,254$  sq.ft. with exposure to Hastings Street;
- Functional layouts with good quality commercial interior finishing suitable for a wide range of tenants; and
- Remaining economic life of the subject improvements is estimated at  $\pm 55$  years.

In our opinion, a value within the indicated comparable range (\$635 to \$908 per sq.ft.) is appropriate for the subject's ground floor strata lots. The best evidence is provided by Comparable One (4559 & 4561 Hastings Street), Comparable Two, Comparable Five and Comparable Six indicating a more concise range of values from \$723 to \$908 per sq.ft.

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**DIRECT COMPARISON APPROACH (continued)**

Based on the preceding analysis of comparable data, it is our opinion that a value of **\$800.00** per sq.ft. of gross rentable area is warranted for the subject's ground floor strata lots. On this basis, the estimated market value of the subject's ground floor strata lots under the Direct Comparison Approach, subject to the Notable Limiting Conditions, as of March 16, 2018, would be calculated as:

<b>Gross Rentable Area (Sq.Ft.)</b>	<b>X</b>	<b>Price Per Sq.Ft.</b>	<b>=</b>	<b>Estimated Market Value</b>
±3,371 sq.ft.	X	\$800	=	\$2,696,800

**ROUNDED TO:**

**TWO MILLION SEVEN HUNDRED THOUSAND DOLLARS**  
**(\$2,700,000)**

## DIRECT COMPARISON APPROACH (continued)

### ANALYSIS OF COMPARABLE DATA FOR THE OFFICE COMPONENT

In estimating the market value of the second floor office component within the overall development, we have analyzed sales of comparable office strata titled units in commercial developments within the City of Burnaby. These comparables are adjusted based on unit size, exposure, level of interior finish, parking provided, date of sale and general location. Research of office strata units indicates selling prices in the range of \$418 to \$1,000 per sq.ft. for units ranging in size from  $\pm 735$  to  $\pm 3,832$  per sq.ft. Comparable strata titled office unit sales are illustrated in the chart shown below.

Direct Comparison Approach (Office)					
No.	Address	Sale Date	Sale Price	Unit Area (Sq.Ft.)	Price Per Sq.Ft.
1	Unit 301 - 3965 Kingsway Burnaby	Mar-17	\$1,600,000	3,832	\$418
2	<b>Gold House</b> Unit 302 - 6383 McKay Avenue Unit 303 - 6383 McKay Avenue Unit 304 - 6383 McKay Avenue Unit 305 - 6383 McKay Avenue Unit 405 - 6383 McKay Avenue Burnaby	Apr-17 Apr-17 Jun-17 Jul-17 Jun-17	\$532,080 \$582,480 \$540,720 \$524,200 \$536,550	739 809 751 735 735	\$720 \$720 \$720 \$713 \$730
3	<b>Silver</b> Unit 304 - 4388 Beresford Street Unit 305 - 4388 Beresford Street Units 400/401 - 4388 Beresford Street Burnaby	Oct-17 Aug-17 Jan-17	\$770,000 \$885,000 \$1,300,000	770 1,152 1,829	\$1,000 \$768 \$711
4	<b>North Road Centre</b> Unit 309 - 4501 North Road Unit 318 - 4501 North Road Burnaby	Sep-17 Jan-17	\$425,000 \$395,000	781 780	\$544 \$506
<b>Minimum</b>				<b>735</b>	<b>\$418</b>
<b>Maximum</b>				<b>3,832</b>	<b>\$1,000</b>
<b>Average</b>				<b>1,174</b>	<b>\$686</b>

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**DIRECT COMPARISON APPROACH (continued)**

Comparable One (Unit 301 – 3965) sold for \$1,600,000 or \$418 per sq.ft. based on the unit area of  $\pm 3,832$  sq.ft., defining the lower end of the range. The comparable comprises the entire third floor of a medical office building constructed circa 1986. The newer building improvements and superior quality of interior finishing of the subject's office component support upward adjustments.

Comparables Two and Three represent the 2017 sales of strata office units within 'Gold House' and 'Silver' a proposed and recently constructed high rise commercial/residential buildings in the Metrotown neighbourhood. The units illustrate sales prices between \$711 and \$1,000 per sq.ft. and range in size from  $\pm 735$  to  $\pm 1,829$  sq.ft. Downward adjustments are required for the comparables' superior location and smaller unit sizes.

Comparable Four (Units 309 and 318 – 4501 North Road) illustrate the 2017 sales within 'North Road Centre' a stratified, commercial plaza containing a total of 113 strata units constructed circa 1982 and later stratified circa 1997. The comparable office units are  $\pm 781$  and  $\pm 780$  sq.ft. in size and were acquired for \$544 and \$506 per sq.ft., respectively. A downward adjustment for the comparable's smaller unit size is offset by greater upward adjustments for the subject's newer building improvements and superior quality of interior finishing.

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**DIRECT COMPARISON APPROACH (continued)****OFFICE SUMMARY**

In estimating a price per sq.ft. of unit area for the subject's second floor office unit, the preceding comparables have been analyzed with consideration to the following items:

- The subject property is well located in the Heights neighbourhood on the north side of Hastings Street between Gamma Avenue and Beta Avenue;
- The subject strata lots are located within 'Beta' a four storey, mixed-use commercial/residential building constructed circa 2015;
- The subject's office component comprises the entire second floor and includes a gross rentable area of ±5,355 sq.ft.;
- Functional layout with good quality commercial interior finishing suitable for a wide range of office tenants; and
- Remaining economic life of the subject improvements is estimated at ±55 years.

In our opinion, a value within the indicated comparable range (\$418 to \$1,000 per sq.ft.) is appropriate for the subject's second floor office component. The best evidence of value is provided by Comparable One, Comparable Three (Units 400 & 401) and Comparable Four indicating a more concise range of values from \$418 to \$711 per sq.ft.

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**DIRECT COMPARISON APPROACH (continued)**

Based on the preceding analysis of comparable data, it is our opinion that a value of **\$550.00** per sq.ft. of gross rentable area is warranted for the subject's second floor office component. On this basis, the estimated market value of the subject's second floor office component under the Direct Comparison Approach, subject to the Notable Limiting Conditions, as of March 16, 2018, would be calculated as:

<b>Gross Rentable Area (Sq.Ft.)</b>	<b>X</b>	<b>Price Per Sq.Ft.</b>	<b>=</b>	<b>Estimated Market Value</b>
±5,355 sq.ft.	X	\$550	=	\$2,945,250

**ROUNDED TO:**

**TWO MILLION NINE HUNDRED FIFTY THOUSAND DOLLARS**  
**(\$2,950,000)**



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**12.0 FINAL ESTIMATE OF VALUE BY THE DIRECT COMPARISON  
APPROACH**

Retail Component (Strata Lots 9 & 10)	\$ 2,700,000
<u>Office Component (Strata Lot 11)</u>	<u>\$ 2,950,000</u>
Total (ROUNDED)	\$ 5,650,000

**FIVE MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS**  
**(\$5,650,000)**



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### 13.0 RECONCILIATION

Income Approach:	\$5,700,000
Direct Comparison Approach:	\$5,650,000

#### INCOME APPROACH

The subject is an income-producing property and the typical buyer for this type of property is interested in the net returns from the property over the investment period. This approach reflects the behaviour of the typical buyer in the marketplace and is an accurate indicator of value. In the Income Approach we have adopted a capitalization rate from the market and capitalized the stabilized net income based on the actual & rental income for the subject. The approach provides a good indicator of value for the subject strata lots.

#### DIRECT COMPARISON APPROACH

The Direct Comparison Approach implies the Principal of Substitution which states that a prudent purchaser will not pay more for a property than the price to acquire an equally desirable substitute property. Usually, where there is adequate market evidence involving similar properties, the Direct Comparison Approach is favoured since it analyzes the interaction of purchasers and vendors. Sales involving commercial strata units in mixed-use commercial / residential developments were analyzed and provided good evidence for the valuation of the subject strata lots.

### 14.0 FINAL ESTIMATE OF VALUE

After consideration of all factors pertinent to value, it is our opinion that the value indicated by the Income Approach best reflects the current market value of the subject strata lots. Accordingly, it is our opinion that the estimated market value of the subject strata lots, subject to the Notable Limiting Conditions contained herein, as of March 16, 2018, is:

**FIVE MILLION SEVEN HUNDRED THOUSAND DOLLARS**  
**(\$5,700,000)\***

The final estimate of market value is based on a marketing exposure time of 3 to 6 months.

---

## 15.0 CERTIFICATION

April 9, 2018

**RE: 4717, 4723 & 4725 Hastings Street, Burnaby, BC**

I certify that, to the best of my knowledge and belief that:

1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my impartial and unbiased professional analyses, opinions and conclusions;
3. I have no past, present or prospective interest in the property that is the subject of this report and no personal and/or professional interest or conflict with respect to the parties involved with this assignment;
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. My engagement in and compensation is not contingent upon developing or reporting predetermined results, the amount of value estimate, a conclusion favouring the client, or the occurrence of a subsequent event;
6. My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the CUSPAP;
7. I have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with CUSPAP;
8. Except as herein disclosed, no one has provided significant professional assistance to the person(s) signing this report;
9. As of the date of this report the undersigned has fulfilled the requirements of the AIC's Continuing Professional Development Program; and
10. The undersigned is (are all) members in good standing of the Appraisal Institute of Canada.

### CO-SIGNING AIC APPRAISER'S CERTIFICATION

If an AIC appraiser has co-signed this appraisal report, he or she certifies and agrees that 'I directly supervised the appraiser who prepared this appraisal report and, having reviewed the report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certification and am taking full responsibility for the appraisal and the appraisal report.'



GARNETT  
WILSON  
Realty Advisors Ltd.

000082

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**CERTIFICATION (continued)**

**PROPERTY IDENTIFICATION**

**ADDRESS**

4717, 4723 & 4725 Hastings Street, Burnaby

**LEGAL DESCRIPTIONS**

Strata Lots 9, 10 & 11, District Lot 122, Group 1, New Westminster District, Strata Plan EPS2787; together with an interest in the common property in proportion to the unit entitlement of the strata lots as shown on Form V.

PID's: 029-636-876 (Strata Lot 9), 029-636-884 (Strata Lot 10) & 029-636-892 (Strata Lot 11)

BASED UPON THE DATA, ANALYSES AND CONCLUSIONS CONTAINED HEREIN, THE MARKET VALUE OF THE INTEREST IN THE PROPERTY DESCRIBED, AS AT MARCH 16, 2018 IS ESTIMATED AT **\$5,700,000.**

AS SET OUT ELSEWHERE IN THIS REPORT, THIS REPORT IS SUBJECT TO CERTAIN ASSUMPTIONS AND LIMITING CONDITIONS, THE VERIFICATION OF WHICH IS OUTSIDE THE SCOPE OF THIS REPORT.

Respectfully submitted,

**GARNETT WILSON REALTY ADVISORS LTD.**

Philip Yang  
B. Tech, AIC Candidate  
Membership #: 906622  
Signed: April 9, 2018

Steven Caldecott  
B. Comm, AACI, P. App  
Membership #: 905952  
Signed: April 9, 2018

Philip Yang (AIC Candidate) personally inspected the subject strata lots on March 16, 2018.

NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.



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## 16.0 ASSUMPTIONS AND LIMITING CONDITIONS

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ('CUSPAP') and the following conditions:

1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the authors, subject to the qualification below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. No registry office search has been performed and the appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, unless otherwise noted in this report. The property is appraised on the basis of it being under responsible ownership.
4. The subject property is presumed to comply with government regulations including zoning, building codes and health regulations and, if it does not comply, its non-compliance may affect market value.
5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property.
6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.

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**ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.
10. The term 'inspection' refers to observation and reporting of the general material finishing and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.

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**ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.
12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
13. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
14. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Where the client is the mortgagee and the loan is insured, liability is extended to the mortgage insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
15. This report form is the property of the Appraisal Institute of Canada (AIC) and for use only by AIC members in good standing. Use by any other person is a violation of AIC copyright. This appraisal report, its content and all attachments/addendums and their content are the property of the author. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.



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**ASSUMPTIONS AND LIMITING CONDITIONS (continued)**

16. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.
17. Where the intended use of this report is for financing or mortgage lending, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.
18. Where the intended use of this report is for mortgage insurance, it is a condition of reliance on this report that the authorized user will conduct loan insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent mortgage insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, to conduct such loan insurance underwriting and/ due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Insurance Underwriting Practices and Procedures B-21, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.
19. The author has no knowledge of the existence of any aboriginal land claim or any claim to aboriginal title and the author has not undertaken investigations into the possibility of any such claims. As such, for the purposes of this report, we assume none exist.

## **Appendix "A"**

### **Copies of the Title Certificates**



**TITLE SEARCH PRINT**

File Reference:

Declared Value \$1135000

2018-03-05 00:00:08  
Requestor: Brett Garnett**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

<b>Title Issued Under</b>	STRATA PROPERTY ACT (Section 249)
<b>Land Title District</b> Land Title Office	NEW WESTMINSTER NEW WESTMINSTER
<b>Title Number</b> From Title Number	CA4644606 CA4598561
<b>Application Received</b>	2015-08-31
<b>Application Entered</b>	2015-09-02
<b>Registered Owner in Fee Simple</b> Registered Owner/Mailing Address:	CENSORIO GROUP (HASTINGS & BETA) PROPERTIES LTD., INC.NO. BC1041190 4723 HASTINGS STREET BURNABY, BC V5C 2K8
<b>Taxation Authority</b>	Burnaby, City of
<b>Description of Land</b> Parcel Identifier: Legal Description:	029-636-876 STRATA LOT 9 DISTRICT LOT 122 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS2787 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V
<b>Legal Notations</b>	NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA2485785 FILED 2012-04-13  HERETO IS ANNEXED EASEMENT CA2803107 OVER LOT 70 PLAN 51204  HERETO IS ANNEXED EASEMENT CA2981777 OVER LOTS 32 AND 33 BLOCK 6 PLAN 1308

**TITLE SEARCH PRINT**

File Reference:

Declared Value \$1135000

2018-03-05, 15:33:40

Requestor: Brett Garnett

**000089****Charges, Liens and Interests**

Nature: EASEMENT  
Registration Number: CA2803106  
Registration Date and Time: 2012-10-03 11:01  
Remarks: INTER ALIA  
APPURTENANT TO LOT 70 PLAN 51204

Nature: EASEMENT  
Registration Number: CA2981776  
Registration Date and Time: 2013-02-04 14:20  
Remarks: INTER ALIA  
APPURTENANT TO LOTS 32 AND 33 BLOCK 6 PLAN 1308

Nature: COVENANT  
Registration Number: BB3009945  
Registration Date and Time: 2013-07-16 10:16  
Registered Owner: CITY OF BURNABY  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA3405202  
Registration Date and Time: 2013-10-16 11:19  
Registered Owner: BRITISH COLUMBIA HYDRO AND POWER AUTHORITY  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA4226988  
Registration Date and Time: 2015-02-11 09:42  
Registered Owner: SHAW CABLESYSTEMS LIMITED  
INCORPORATION NO. A0075382  
Remarks: INTER ALIA

Nature: MORTGAGE  
Registration Number: CA4645536  
Registration Date and Time: 2015-08-31 13:16  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
INCORPORATION NO. (F1-18)  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA4645537  
Registration Date and Time: 2015-08-31 13:16  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
INCORPORATION NO. (F1-18)  
Remarks: INTER ALIA

**TITLE SEARCH PRINT**

File Reference:

Declared Value \$1135000

2018-03-05, 15:33:40

Requestor: Brett Garnett

**000090**

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

MORTGAGE  
CA5842620  
2017-02-28 10:18  
BANCORP GROWTH MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856914  
BANCORP BALANCED MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856913  
BANCORP FINANCIAL SERVICES INC.  
INCORPORATION NO. BC0712503  
INTER ALIA

Remarks:

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

ASSIGNMENT OF RENTS  
CA5842621  
2017-02-28 10:18  
BANCORP GROWTH MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856914  
BANCORP BALANCED MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856913  
BANCORP FINANCIAL SERVICES INC.  
INCORPORATION NO. BC0712503  
INTER ALIA

Remarks:

**Duplicate Indefeasible Title**

NONE OUTSTANDING

**Transfers**

NONE

**Pending Applications**

NONE

**TITLE SEARCH PRINT**

File Reference:

Declared Value \$2195000

2018-03-05, 15:34:17

Requestor: Brett Garnett

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\*****000091**

**Title Issued Under** STRATA PROPERTY ACT (Section 249)

**Land Title District** NEW WESTMINSTER  
Land Title Office NEW WESTMINSTER

**Title Number** CA4644608  
From Title Number CA4598563

**Application Received** 2015-08-31

**Application Entered** 2015-09-02

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: CENSORIO GROUP (HASTINGS & BETA) PROPERTIES LTD., INC.NO.  
BC1041190  
4723 HASTINGS STREET  
BURNABY, BC  
V5C 2K8

**Taxation Authority** Burnaby, City of

**Description of Land**  
Parcel Identifier: 029-636-892  
Legal Description:  
STRATA LOT 11 DISTRICT LOT 122 GROUP 1 NEW WESTMINSTER DISTRICT  
STRATA PLAN EPS2787  
TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT  
ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

**Legal Notations**  
NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA2485785  
FILED 2012-04-13

HERETO IS ANNEXED EASEMENT CA2803107 OVER LOT 70 PLAN 51204

HERETO IS ANNEXED EASEMENT CA2981777 OVER LOTS 32 AND 33  
BLOCK 6 PLAN 1308

**TITLE SEARCH PRINT**

File Reference:

Declared Value \$2195000

2018-03-05, 15:34:17

Requestor: Brett Garnett

**000092****Charges, Liens and Interests**

Nature: EASEMENT  
Registration Number: CA2803106  
Registration Date and Time: 2012-10-03 11:01  
Remarks: INTER ALIA  
APPURTENANT TO LOT 70 PLAN 51204

Nature: EASEMENT  
Registration Number: CA2981776  
Registration Date and Time: 2013-02-04 14:20  
Remarks: INTER ALIA  
APPURTENANT TO LOTS 32 AND 33 BLOCK 6 PLAN 1308

Nature: COVENANT  
Registration Number: BB3009945  
Registration Date and Time: 2013-07-16 10:16  
Registered Owner: CITY OF BURNABY  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA3405202  
Registration Date and Time: 2013-10-16 11:19  
Registered Owner: BRITISH COLUMBIA HYDRO AND POWER AUTHORITY  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA4226988  
Registration Date and Time: 2015-02-11 09:42  
Registered Owner: SHAW CABLESYSTEMS LIMITED  
INCORPORATION NO. A0075382  
Remarks: INTER ALIA

Nature: MORTGAGE  
Registration Number: CA4645536  
Registration Date and Time: 2015-08-31 13:16  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
INCORPORATION NO. (F1-18)  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA4645537  
Registration Date and Time: 2015-08-31 13:16  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
INCORPORATION NO. (F1-18)  
Remarks: INTER ALIA

**TITLE SEARCH PRINT**

File Reference:

Declared Value \$2195000

2018-03-05, 15:34:17

Requestor: Brett Garnett

**000093**

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

MORTGAGE  
CA5842620  
2017-02-28 10:18  
BANCORP GROWTH MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856914  
BANCORP BALANCED MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856913  
BANCORP FINANCIAL SERVICES INC.  
INCORPORATION NO. BC0712503  
INTER ALIA

Remarks:

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

ASSIGNMENT OF RENTS  
CA5842621  
2017-02-28 10:18  
BANCORP GROWTH MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856914  
BANCORP BALANCED MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856913  
BANCORP FINANCIAL SERVICES INC.  
INCORPORATION NO. BC0712503  
INTER ALIA

Remarks:

**Duplicate Indefeasible Title**

NONE OUTSTANDING

**Transfers**

NONE

**Pending Applications**

NONE

**TITLE SEARCH PRINT**

File Reference:

Declared Value \$670000

2018-04-04, 12:04:05

Requestor: Brett Garnett

\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\*

**000094**

<b>Title Issued Under</b>	STRATA PROPERTY ACT (Section 249)
<b>Land Title District</b> Land Title Office	NEW WESTMINSTER NEW WESTMINSTER
<b>Title Number</b> From Title Number	CA4644607 CA4598562
<b>Application Received</b>	2015-08-31
<b>Application Entered</b>	2015-09-02
<b>Registered Owner in Fee Simple</b> Registered Owner/Mailing Address:	CENSORIO GROUP (HASTINGS & BETA) PROPERTIES LTD., INC.NO. BC1041190 4723 HASTINGS STREET BURNABY, BC V5C 2K8
<b>Taxation Authority</b>	Burnaby, City of
<b>Description of Land</b> Parcel Identifier: Legal Description:	029-636-884 STRATA LOT 10 DISTRICT LOT 122 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS2787 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V
<b>Legal Notations</b>	NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA2485785 FILED 2012-04-13  HERETO IS ANNEXED EASEMENT CA2803107 OVER LOT 70 PLAN 51204  HERETO IS ANNEXED EASEMENT CA2981777 OVER LOTS 32 AND 33 BLOCK 6 PLAN 1308

**TITLE SEARCH PRINT**

File Reference:

Declared Value \$670000

2018-04-04, 12:04:05

Requestor: Brett Garnett

**000095****Charges, Liens and Interests**

Nature:	EASEMENT
Registration Number:	CA2803106
Registration Date and Time:	2012-10-03 11:01
Remarks:	INTER ALIA APPURTENANT TO LOT 70 PLAN 51204
Nature:	EASEMENT
Registration Number:	CA2981776
Registration Date and Time:	2013-02-04 14:20
Remarks:	INTER ALIA APPURTENANT TO LOTS 32 AND 33 BLOCK 6 PLAN 1308
Nature:	COVENANT
Registration Number:	BB3009945
Registration Date and Time:	2013-07-16 10:16
Registered Owner:	CITY OF BURNABY
Remarks:	INTER ALIA
Nature:	STATUTORY RIGHT OF WAY
Registration Number:	CA3405202
Registration Date and Time:	2013-10-16 11:19
Registered Owner:	BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
Remarks:	INTER ALIA
Nature:	STATUTORY RIGHT OF WAY
Registration Number:	CA4226988
Registration Date and Time:	2015-02-11 09:42
Registered Owner:	SHAW CABLESYSTEMS LIMITED INCORPORATION NO. A0075382
Remarks:	INTER ALIA
Nature:	MORTGAGE
Registration Number:	CA4645536
Registration Date and Time:	2015-08-31 13:16
Registered Owner:	BLUESHORE FINANCIAL CREDIT UNION INCORPORATION NO. (F1-18)
Remarks:	INTER ALIA
Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA4645537
Registration Date and Time:	2015-08-31 13:16
Registered Owner:	BLUESHORE FINANCIAL CREDIT UNION INCORPORATION NO. (F1-18)
Remarks:	INTER ALIA



**TITLE SEARCH PRINT**

File Reference:

Declared Value \$670000

2018-04-04, 12:04:05

Requestor: Brett Garnett

**000096**

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

MORTGAGE  
CA5842620  
2017-02-28 10:18  
BANCORP GROWTH MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856914  
BANCORP BALANCED MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856913  
BANCORP FINANCIAL SERVICES INC.  
INCORPORATION NO. BC0712503  
INTER ALIA

Remarks:

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

ASSIGNMENT OF RENTS  
CA5842621  
2017-02-28 10:18  
BANCORP GROWTH MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856914  
BANCORP BALANCED MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856913  
BANCORP FINANCIAL SERVICES INC.  
INCORPORATION NO. BC0712503  
INTER ALIA

Remarks:

**Duplicate Infeasible Title**

NONE OUTSTANDING

**Transfers**

NONE

**Pending Applications**

NONE

**Appendix "B"**

**Copy of the CD (Comprehensive Development),  
C2 (Community Commercial), and  
RM3 (Multiple Family Residential)  
Zoning Bylaws**

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**700. COMPREHENSIVE DEVELOPMENT DISTRICTS (CD)**

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Subject to all other provisions of this Bylaw, on any lot, in any district designated as a CD District, the following regulations shall apply:

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**700. COMPREHENSIVE DEVELOPMENT DISTRICTS (CD)**

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These Districts provide for the development of an area embracing one or more land use classifications as an integrated unit based upon a comprehensive development plan.

**700.1 Uses Permitted:**

- (1) Uses permitted in R or RM Districts including the Districts with an “a”, “b” or “s” suffix. (B/L No. 12871-10-12-13)
- (2) Uses permitted in the C1, C2, C3, C4, C5, C6, C7, C8 or C9 Districts including Districts with an “a”, “b”, “c”, “d”, “e”, “f”, “g” or “h” suffix. (B/L No. 12452-08-06-16)
- (3) Uses permitted in the P1, P2, P3, P4, P5, P6, P7, P8, P9, P10 or P11 Districts including Districts with an “e” or “f” suffix. (B/L No. 12452-08-06-16)
- (4) Uses permitted in the M1, M2, M3, M4, M5, M6, M7, M8, B1 or B2 Districts including Districts with an “a”, “k”, “l”, or “r” suffix. (B/L No. 12452-08-06-16)
- (5) Uses permitted in the A1, A2 and A3 Districts. (B/L No. 12452-08-06-16)

**700.2 Conditions of Use:**

- (1) Any permitted uses shall conform to the regulations and intent of the Districts in which they are normally permitted, provided that all buildings and uses, and the density of such development shall be compatible with abutting land uses and provide a desirable and stable environment in harmony with that of the surrounding area.
- (2) Exceptions to the applicable parking and loading, carwash stall, screening and landscaping, minimum frontage of a business, projections into required yards and bulk regulations of this Bylaw may be permitted, provided that the floor area ratio and density for the development as a whole are in conformity with the applicable requirements of this Bylaw, and that such exception results in an improved relationship between the various parts of the proposed development. (B/L No. 12099-06-06-19)

**700.3 Comprehensive Development Plan:**

Every applicant for comprehensive development district zoning shall submit the following information to Council.

- (1) A comprehensive plan, including the following:
  - (a) A site plan or plans, including legal descriptions of the area to be developed, showing the location of all existing and proposed buildings, streets, lanes, highways, driveways, parking and loading areas, sidewalks, street lighting, utilities and utility easements, streams and other topographical features of the site.
  - (b) Preliminary architectural plans for any proposed buildings.
  - (c) Existing and proposed grades and their relation to the elevations on adjoining properties.
  - (d) The location, size, height, colour, lighting and orientation of all signs.
  - (e) The location and treatment of open spaces, landscaping, fences and walls.
  - (f) A statement of uses.
- (2) A statement of ownership of land and interest of the applicant therein.
- (3) The estimated commencement date and proposed schedule of construction.
- (4) A statement of financial responsibility, including the posting of bonds or cash, to assure the installation of the improvements required by the Municipality as a condition to development.

**700.4 Plan to be Part of Bylaw:**

All buildings, structures and uses shall comply with the size, shape, siting and statement of uses as designated on the approved comprehensive development plan, which shall be attached to and form part of this Bylaw. (B/L No. 12865-10-11-15)

**700.5 Community Plans as a Comprehensive Development Plan:**

- (1) In any development permit area designated by Council pursuant to section 879(1) of the Local Government Act, a Community Plan adopted by Council by resolution for the said development permit area shall be deemed to be a Comprehensive Development Plan, and in such case every development in the said development permit area shall satisfy all the requirements of the said Community Plan. (B/L No. 11204-01-02-12)
- (2) A Community Plan, for the purpose of this section, may be expressed in maps, plans, reports or in any combination thereof. (B/L No. 7527-80-07-07)

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**302. COMMUNITY COMMERCIAL DISTRICT (C2)**


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This District provides for the daily and occasional shopping needs of residents of several neighbourhoods.

**302.1 Uses Permitted in a C2 Zoning District:**

- (1) Animal hospitals. (B/L No. 9322-90-02-19)
- (1a) Banks. (B/L No. 9322-90-02-19)
- (1b) Beverage container return centres, subject to a maximum gross floor area of 280m<sup>2</sup> (3,013.99 sq. ft.). (B/L No. 10799-98-10-05)
- (2) Business and professional offices.
- (3) Cafes or restaurants (excluding drive-in restaurants).
- (4) Clubs or lodges.
- (5)
  - (a) Conventional gasoline service stations, subject to the regulations of the C6 (Gasoline Service Station) District.
  - (b) Self-serve gasoline service stations, which were constructed or converted for this use on or before 1977 January 01, subject to the regulations of the C6 (Gasoline Service Station) District.  
(B/L 6906-77-01-31)
- (5a) Fitness and health facilities. (B/L No. 11204-01-02-12)
- (6) Personal service establishments including: barbershops, beauty parlours, dry cleaning establishments, electrical appliance repair shops, florist shops, laundromats, optical or watch repair shops, outdoor produce shops, outdoor garden shops (for not more than six months in any year), photographic studios, shoe repair shops, tailor shops, dressmaking shops and similar establishments.  
(B/L No. 11941-05-08-29)
- (7) Public assembly and entertainment uses, excluding drive-in theatres.  
(B/L No. 13731-17-04-10)
- (7a) Residential sales centre. (B/L No. 13188-13-04-15)
- (8) Retail stores that sell new or used goods and cater to the daily and occasional shopping needs of the residents of several neighbourhoods.  
(B/L No. 8916-88-01-11)
- (9) Shopping centres.
- (10) Accessory buildings and uses.
- (11) Taxi Dispatch Offices. (B/L No. 5752-70-08-24)
- (12) Liquor licence establishments in premises that were being lawfully used for that purpose on January 13, 2003. (B/L No. 11517-03-05-12)
- (13) Establishments, of not more than 140 m<sup>2</sup> (1506.90 sq.ft.) in gross floor area, providing photocopy and duplicating services.  
(B/L No. 7631-81-06-15)
- (14) Retail sale of new or used furniture. (B/L No. 8916-88-01-11)

- (15) Commercial schools and self-improvement schools.  
(B/L No. 10384-96-06-10)
- (16) Repealed. (B/L No. 12099-06-06-19)
- (17) Mobile retail carts not exceeding three in number as a use accessory to a principal retail use other than a gasoline service station.  
(B/L No. 10209-95-06-19)

**302.1A Uses Permitted in a C2a Zoning District:**

- (1) Uses permitted in Community Commercial District C2.
- (2) Liquor stores. (B/L No. 9085-88-10-11)

**302.1B Uses Permitted in a C2c Zoning District:**

- (1) Uses permitted in Community Commercial District C2.
- (2) Billiard Halls. (B/L No. 9952-93-09-07)

**302.1C Uses Permitted in a C2f Zoning District:**

- (1) Uses permitted in the Community Commercial District C2.
- (2) Liquor licence establishments having the capacity to serve not more than one hundred (100) persons at one time.  
(B/L No. 11517-03-05-12)

**302.1D Uses Permitted in a C2h Zoning District:**

- (1) Uses permitted in Community Commercial District C2.
- (2) Licensee retail stores.  
(B/L No. 11883-05-04-11)

**302.2 Conditions of Use:**

- (1) Every business or undertaking shall be conducted within a completely enclosed building except for
  - (a) parking and loading facilities,
  - (b) gasoline service stations,
  - (c) outdoor produce shops,
  - (d) outdoor garden shops, and
  - (e) outdoor seating at cafes, restaurants or other facilities where food or drink is served. (B/L No. 9850-93-03-08)
  - (f) mobile retail carts. (B/L No. 13731-17-04-10)
- (2) All goods produced on the premises shall be sold at retail on the same premises.

- (3) No residential uses shall be permitted.
- (4) All principal uses shall be oriented to pedestrian needs and be so located and designed as to avoid vehicular interference with pedestrian movement.

### **302.3 Height of Buildings:**

- (1) The height of a building shall be measured from the lower of the front and rear average elevations to the highest point of the structure and shall not exceed 12.0m (39.37ft.) nor three storeys.
- (2) The third storey of any building shall be set back a minimum of 3.0m (10ft.) from the second storey building face at the front and rear of the building and on any side where a side yard is required. (B/L No. 10796-98-09-14)

### **302.4 Lot Area and Width:**

Each lot shall have an area of not less than 560 m<sup>2</sup> (6027.99 sq.ft.) and a width of not less than 15.0 m (49.21 ft.).

### **302.41 Lot Coverage:**

The maximum coverage shall be 50 percent of the lot area. (B/L No. 10796-98-09-14)

### **302.5 Floor Area Ratio:**

The maximum floor area ratio shall be 1.00 except where underground parking is provided an amount may be added to the floor area ratio equal to 0.30 multiplied by the ratio of parking spaces provided in the underground parking to the total spaces provided, but in no case shall the floor area ratio exceed 1.30. (B/L No. 11888-05-04-11)

### **302.6 Front Yard:**

A front yard shall be provided of not less than 2.0m (6.5ft.). (B/L No. 10796-98-09-14)

### **302.7 Side Yards:**

- (1) No side yards shall be required, except that where a lot abuts a lot in an A, R or RM District, or in a CD District based on an A, R, or RM District, or is separated by a street or lane therefrom, a side yard shall be provided of a width not less than the required side yard of the abutting lot on the same side, but need not exceed 3.0 m (9.84 ft.) in width. (B/L No. 12976-11-09-12)
- (2) Where a side yard is provided when not required by the provisions of this Bylaw, the side yard adjoining an abutting lot shall be not less than 3.5 m (11.48 ft.) in width. (B/L No. 5042-66-11-28)

**302.8 Rear Yard:**

A rear yard shall be provided of not less than 3.0 m (9.84 ft.) in depth, except where a lot abuts a lot in an A, R or RM District, or in a CD District based on an A, R, or RM District, such rear yard shall be not less than 6.0 m (19.69 ft.) in depth. (B/L No. 12976-11-09-12)

**302.9 Off-Street Parking:**

Off-street parking shall be provided and maintained in accordance with Schedule VIII of this Bylaw.

**302.10 Off-Street Loading:**

Off-street loading shall be provided and maintained in accordance with Schedule IX of this Bylaw.



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**203. MULTIPLE FAMILY RESIDENTIAL DISTRICT (RM3)**


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This District provides for a higher density of development designed largely for adults.  
(B/L No. 11032-99-12-13)

**203.1 Uses Permitted:**

- (1) Uses, other than group homes, permitted in the R6 Residential District, subject to the regulations contained therein. (B/L No. 9254-89-11-06)
- (2) Multiple family dwellings, or groups of multiple family dwellings.
- (3) Dormitory units or groups of dormitory units, provided that such development is situated within 300 m (984.25 ft.) of the boundaries of the lands and premises occupied by the institution which it serves.
- (4) Repealed. (B/L No. 11888-05-04-11)
- (5) Boarding, lodging and rooming houses, subject to the condition that such use is included as part of a comprehensive development plan to which the provisions of the Comprehensive Development District apply. (B/L No. 13652-16-11-21)
- (6) Accessory buildings and uses.
- (7) Child care facilities. (B/L No. 13639-16-12-12)
- (8) Repealed. (B/L No. 13639-16-12-12)
- (9) Category A supportive housing facilities, subject to the following conditions:
  - (a) the use shall be included as part of a comprehensive development plan subject to the CD (Comprehensive Development) District; and
  - (b) each living unit shall have a minimum floor area of 27 m<sup>2</sup> (290.6 sq.ft.).  
(B/L No. 11153-00-11-06)
- (10) Category B supportive housing facilities, subject to the following conditions:
  - (a) the use shall be included as part of a comprehensive development plan subject to the CD (Comprehensive Development) District;  
(B/L No. 11153-00-11-06)
  - (b) each living unit shall have a minimum floor area
    - (i) of 33 m<sup>2</sup> (355.22 sq.ft.) for a studio unit
    - (ii) of 41 m<sup>2</sup> (441.4 sq.ft.) for a junior one-bedroom unit
    - (iii) of 46 m<sup>2</sup> (495.16 sq.ft.) for a one bedroom unit;  
(B/L No. 11591-03-09-29)

- (c) the number of studio units shall not be more than 25 percent of the total number of living units in the facility; and  
(B/L No. 11591-03-09-29)
- (d) the number of studio units and junior one-bedroom units together shall not be more than 50 percent of the total number of living units in the facility. (B/L No. 11591-03-09-29)
- (11) Rest homes and private hospitals, subject to the condition that such use is included as part of a comprehensive development plan subject to the CD (Comprehensive Development) District. (B/L No. 13788-17-10-16)

#### **203.1A Uses Permitted in an RM3s Zoning District:**

Uses permitted in the RM3 District, excluding uses permitted in the R6 District, dormitory units or groups of dormitory units, and boarding, lodging and rooming houses.  
(B/L No. 12871-10-12-13)

#### **203.2 Height of Buildings:**

The height of a building shall not exceed 12.0 m (39.37 ft.) nor 3 storeys.

#### **203.3 Lot Area and Width:**

- (1) Each lot for a building of 2 storeys or less in height shall have an area of not less than 1 110 m<sup>2</sup> (11,948.33 sq.ft.) and a width of not less than 30 m (98.43 ft.).
- (2) Each lot for a building of 3 storeys shall have an area of not less than 1 670 m<sup>2</sup> (17,976.32 sq.ft.) and a width of not less than 37 m (121.39 ft.).  
(B/L No. 5591-69-11-17)

#### **203.4 Usable Open Space:**

Usable open space shall be provided on the lot for each unit contained in an apartment building, based on the following ratio:

- (1) 46 m<sup>2</sup> (495.16 sq.ft.) for each 3 bedroom unit.
- (2) 28 m<sup>2</sup> (301.40 sq.ft.) for each 2 bedroom unit.
- (3) 19 m<sup>2</sup> (204.52 sq.ft.) for each 1 bedroom unit.
- (4) 9 m<sup>2</sup> (96.88 sq.ft.) for each studio unit. (B/L No. 11032-99-12-13)

**203.5 Floor Area Ratio:**

- (1) The maximum floor area ratio shall be 0.90 except where underground parking is provided an amount may be added to the floor area ratio equal to 0.20 multiplied by the ratio of parking spaces provided in the underground parking to the total parking spaces provided, but in no case shall the floor area ratio exceed 1.10. (B/L No. 10596-97-07-21)
- (2) Notwithstanding subsection (1) of this section, where amenities or affordable or special needs housing are provided in accordance with section 6.22 the floor area ratio may be increased by 0.15, but except as provided in subsection (3) in no case shall the floor area ratio exceed 1.25. (B/L No. 12871-10-12-13)
- (3) Notwithstanding subsection (1) of this section, in the RM3s District where amenities or affordable or special needs housing are provided in accordance with section 6.22 the floor area ratio may be increased by a further 0.25, but in no case shall the floor area ratio exceed 1.50. (B/L No. 12871-10-12-13)

**203.6 Front Yard:**

A front yard shall be provided of not less than 7.5 m (24.61 ft.) in depth.  
(B/L No. 5591-69-11-17)

**203.7 Side Yards:**

- (1) For a building of 2 storeys or less in height a side yard shall be provided on each side of the building of not less than 4.5 m (14.76 ft.) in width.
- (2) For a building of 3 storeys a side yard shall be provided on each side of the building of not less than 6.0 m (19.69 ft.) in width. (B/L No. 5591-69-11-17)

**203.8 Rear Yard:**

A rear yard shall be provided of not less than 10.5 m (34.45 ft.) in depth.  
(B/L No. 5591-69-11-17)

**203.9 Off-Street Parking:**

Off-street parking shall be provided and maintained in accordance with Schedule VIII of this Bylaw.

**203.10 Car Wash Stall:**

One car wash stall with a "No Parking" sign affixed to it shall be provided for each 100 dwelling units. (B/L No. 9429-90-09-17)

## **Appendix "C"**

### **Copy of the Rent Roll**

Censorio Group of Companies  
Statement of Account  
Thursday, February 01, 2018

Feb 2018 Rent Roll	Lease Period (CAM) (Monthly Installment of Base Rent)	Base Rent	CAM	Property Tax	Subtotal of Base Rent CAM p-tax	GST	Total
Altezza Properties 014 014-1-4006							
Nuvola	July 1st - June 30th 2016-2017, 2017-2018 = \$2700.03 2018-2021 = \$2863.67	2,700.03	468.83	683	3,852.05	135.00	3,987.05
Adele Rae	June 1st to May 31st 2013-2018 = \$2112.50	2,112.50	523.00	705.00	3,340.50	105.63	3,446.13
Sleep Country	December 1st to November 27 2013-2016 = \$7830 2016-2017 = \$8156.25	8,156.25	2,001.37	2,792.65	12,950.27	647.51	13,597.78
<b>Subtotal</b>		<b>12,968.78</b>	<b>2,993.20</b>	<b>4,180.84</b>	<b>20,142.82</b>	<b>888.14</b>	<b>21,030.96</b>
Sperling 012 012-1-4006							
Scotiabank	October 1st to September 30th TBD @\$28 per s.f	6,657.00	1,631.00	973.37	9,261.37	332.85	9,594.22
Forecheck	Septmeber 1st to August 31st 2013-2015 = \$7333.33 2015-2016 = \$7666.66 2016-2017 = \$8000.00 2017-2018 = \$8333.33 2018-2020 = \$8666.66 2020-2021 = \$9000.00 2021-2023 = \$9333.33	8,333.33	1,392.11	2,375.14	12,100.58	605.03	12,705.61
R&B Hair Design	July 1st to June 30th 2013-2018 = \$1041.67	1,041.67	140.45	296.79	1,478.90	73.95	1,552.85
DTF 012-1-4006 Retreat (office rent)							
<b>Total</b>		<b>16,032.00</b>	<b>3,163.56</b>	<b>3,645.30</b>	<b>22,840.86</b>	<b>1,011.82</b>	<b>23,852.68</b>
Chisa Properties 006 006-1-4006							
Columbus Meat	October 1 to November 28 2015-2017 = \$9427.50 2017-2020 = \$9951.25 2020-2025 = \$10475.00 November 29 2017, rent should be 9951.25	9,951.25	4,629.34	774.47	15,355.06	767.75	16,122.81
<b>Total</b>		<b>9,951.25</b>	<b>4,629.34</b>	<b>774.47</b>	<b>15,355.06</b>	<b>767.75</b>	<b>16,122.81</b>
Beta Properties 018 018-1-4004							
Kumon	October 1st to September 30th 2015-2018 = \$2874.66 2018-2020 = \$3080.00	2,874.67	561.54	939.02	4,375.23	218.76	4,593.99
Christophe	November 1st to October 31st 2015-2020 = \$4827.67 2020-2023 = \$5172.50 2023-2025 = \$5517.33	4,827.67	1,552.08	940.92	7,320.67	241.38	7,562.05
CCG		14,208.33			14,208.33	731.73	14,940.06
<b>Total</b>		<b>21,910.67</b>	<b>2,113.62</b>	<b>1,879.94</b>	<b>25,904.23</b>	<b>1,191.88</b>	<b>27,096.11</b>
<b>Grand Total of Commercial</b>		<b>60,862.70</b>	<b>12,899.71</b>	<b>10,480.55</b>	<b>84,242.97</b>	<b>3,859.59</b>	<b>88,102.56</b>

## **Appendix "D"**

### **Qualifications of the Appraisers**

## Qualifications of the Appraiser

### Philip Yang, BA Technology (AIC Candidate)

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Experience with a variety of assignments involving, development sites, multi-family developments, commercial office and retail use properties, and industrial buildings throughout British Columbia.

---

#### Experience:

**2014-Present**      Appraisal Consultant at *Garnett Wilson Realty Advisors. Ltd.*

**2013-2014**      Appraisal Consultant at *Aedis Appraisals Ltd.*

Assisted in the formation of commercial appraisal reports and performed related research. Carried out residential property inspections and appraisal reports.

#### Education:

**2014**      *University of British Columbia: Diploma of Urban Land Economics (DULE).*

**2013**      *We Value Canada Seminar*

**2004-2008**      *Ryerson University: Bachelor of Technology with a minor in Marketing.*

#### Professional Liability Insurance:

**Present**      *Appraisal Institute of Canada: by Trisura Guarantee Insurance Company*

Type of Practice: Fee Appraiser (**Claim Free**).

## Qualifications of the Appraiser

**Steven Caldecott, B.Comm, AACI, P.App**

---

Experience with a variety of assignments involving, mixed use development sites, multi-family developments, commercial office and retail use properties, and industrial buildings throughout British Columbia. Designated member of the Appraisal Institute of Canada since February 2016.

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### Experience:

**2012-Present**                      Appraisal Consultant *Garnett Wilson Realty Advisors. Ltd.*

**2010-2012**                      Analyst at *Carmichael Wilson Property Consultants Ltd.*

Assisted in the formation of commercial appraisal reports and performed related research.

### Professional Qualifications:

**February 2016**                      Awarded use of the professional designation AACI (Accredited Appraiser – Canadian Institute) by the *Appraisal Institute of Canada*.

### Education:

**2017**                                      *Appraisal Institute of Canada:* Professional Standards Seminar.

**2010-2015**                      *University of British Columbia:* Post Graduate Certificate in Real Property Valuation (PGCV).

**2007-2012**                      *University of British Columbia:* Bachelor of Commerce (Urban Land / Real Estate specialization).

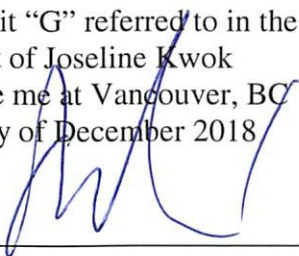
### Professional Liability Insurance:

**Present**                                      *Appraisal Institute of Canada:* by Trisura Guarantee Insurance Company

Type of Practice: Fee Appraiser **(Claim Free)**.



This is Exhibit "G" referred to in the  
affidavit of Joseline Kwok  
sworn before me at Vancouver, BC  
this 3<sup>rd</sup> day of December 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

000113

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**4723 HASTINGS ST BURNABY**

Area-Jurisdiction-Roll: 10-301-0700-4723-0011



**Total Value**                      **\$2,210,000**

Assessed as of July 1st, 2017

**Previous Year Value**                      **\$1,768,000**

**Property Information**

Year Built	2015
Description	Strata Office - 1 To 10 Storey
Bedrooms	
Baths	
Carpports	
Garages	
Land Size	
First Floor Area	
Second Floor Area	
Basement Finish Area	
Strata Area	5,355
Building Storeys	
Gross Leaseable Area	
Net Leasable Area	
No. of Apartment Units	

**Legal Description and Parcel ID**

Strata Lot 11 Plan EPS2787 District Lot 122 Land District 1 Land District 36 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

PID: 029-636-892

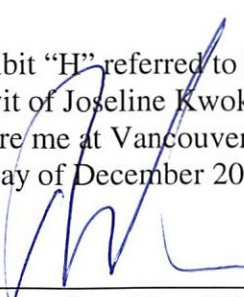
**Sales History (last 3 years)**

No sales history for the last 3 years

**Manufactured Home**

Width  
Length  
Total Area

This is Exhibit "H" referred to in the  
affidavit of Joseline Kwok  
sworn before me at Vancouver, BC  
this 3<sup>rd</sup> day of December 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

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**4717 HASTINGS ST BURNABY V5C 2K8**

Area-Jurisdiction-Roll: 10-301-0700-4717-0009

**Total Value**                      **\$1,562,000**

Assessed as of July 1st, 2017

Previous Year Value                      \$1,248,000

**Property Information**

Year Built	2015
Description	Strata General Commercial
Bedrooms	
Baths	
Carports	
Garages	
Land Size	
First Floor Area	
Second Floor Area	
Basement Finish Area	
Strata Area	2,117
Building Storeys	
Gross Leaseable Area	
Net Leasable Area	
No. of Apartment Units	

**Legal Description and Parcel ID**

Strata Lot 9 Plan EPS2787 District Lot 122 Land District 1 Land District 36 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

PID: 029-636-876

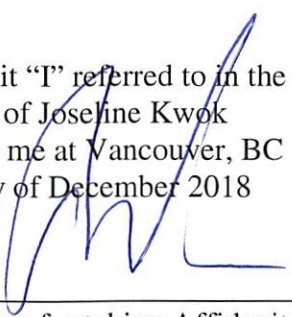
**Sales History (last 3 years)**

No sales history for the last 3 years

**Manufactured Home**

Width
Length
Total Area

This is Exhibit "I" referred to in the  
affidavit of Joseline Kwok  
sworn before me at Vancouver, BC  
this 3<sup>rd</sup> day of December 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

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**4725 HASTINGS ST BURNABY V5C 2K8**

Area-Jurisdiction-Roll: 10-301-0700-4725-0010

**Total Value**                      **\$970,000**

Assessed as of July 1st, 2017

Previous Year Value                      \$776,000

**Property Information**

Year Built	2015
Description	Strata General Commercial
Bedrooms	
Baths	
Carports	
Garages	
Land Size	
First Floor Area	
Second Floor Area	
Basement Finish Area	
Strata Area	1,254
Building Storeys	
Gross Leaseable Area	
Net Leasable Area	
No. of Apartment Units	

**Legal Description and Parcel ID**

Strata Lot 10 Plan EPS2787 District Lot 122 Land District 1  
Land District 36 TOGETHER WITH AN INTEREST IN THE  
COMMON PROPERTY IN PROPORTION TO THE UNIT  
ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

PID: 029-636-884

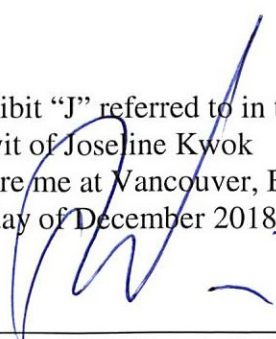
**Sales History (last 3 years)**

No sales history for the last 3 years

**Manufactured Home**

Width  
Length  
Total Area

This is Exhibit "J" referred to in the  
affidavit of Josefine Kwok  
sworn before me at Vancouver, BC  
this 3<sup>rd</sup> day of December 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



---

**BC Company Summary****For  
1B INVESTMENTS LTD.**

---

**Date and Time of Search:** December 03, 2018 09:29 AM Pacific Time  
**Currency Date:** November 08, 2018

---

**ACTIVE****Incorporation Number:** BC0964803  
**Name of Company:** 1B INVESTMENTS LTD.  
**Recognition Date and Time:** Incorporated on March 12, 2013 12:43 PM Pacific Time **In Liquidation:** No  
**Last Annual Report Filed:** March 12, 2018 **Receiver:** No

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**REGISTERED OFFICE INFORMATION****Mailing Address:**  
220 - 7565 - 132ND STREET  
SURREY BC V3W 1K5  
CANADA**Delivery Address:**  
220 - 7565 - 132ND STREET  
SURREY BC V3W 1K5  
CANADA

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**RECORDS OFFICE INFORMATION****Mailing Address:**  
220 - 7565 - 132ND STREET  
SURREY BC V3W 1K5  
CANADA**Delivery Address:**  
220 - 7565 - 132ND STREET  
SURREY BC V3W 1K5  
CANADA

---

**DIRECTOR INFORMATION****Last Name, First Name, Middle Name:**  
Batch, Jason John**Mailing Address:**  
#276 - 4111 HASTINGS STREET  
BURNABY BC V5C 6T7  
CANADA**Delivery Address:**  
#276 - 4111 HASTINGS STREET  
BURNABY BC V5C 6T7  
CANADA

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**OFFICER INFORMATION AS AT March 12, 2018**



**Last Name, First Name, Middle Name:**

Batch, Jason John

000120

**Office(s) Held:** (President)

**Mailing Address:**

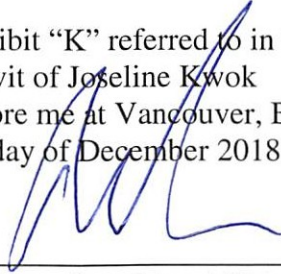
#276 - 4111 HASTINGS STREET  
BURNABY BC V5C 6T7  
CANADA

**Delivery Address:**

#276 - 4111 HASTINGS STREET  
BURNABY BC V5C 6T7  
CANADA

---

This is Exhibit "K" referred to in the  
affidavit of Joseline Kwok  
sworn before me at Vancouver, BC,  
this 3<sup>rd</sup> day of December 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



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**BC Company Summary****For  
1158233 B.C. LTD.**

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**Date and Time of Search:** December 03, 2018 09:33 AM Pacific Time  
**Currency Date:** November 08, 2018

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**ACTIVE**

**Incorporation Number:** BC1158233  
**Name of Company:** 1158233 B.C. LTD.  
**Recognition Date and Time:** Incorporated on March 26, 2018 02:52 PM Pacific Time **In Liquidation:** No  
**Last Annual Report Filed:** Not Available **Receiver:** No

---

**REGISTERED OFFICE INFORMATION**

**Mailing Address:**  
#2008 - 5511 HOLLYBRIDGE WAY  
RICHMOND BC V7C 0A3  
CANADA

**Delivery Address:**  
#2008 - 5511 HOLLYBRIDGE WAY  
RICHMOND BC V7C 0A3  
CANADA

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**RECORDS OFFICE INFORMATION**

**Mailing Address:**  
#2008 - 5511 HOLLYBRIDGE WAY  
RICHMOND BC V7C 0A3  
CANADA

**Delivery Address:**  
#2008 - 5511 HOLLYBRIDGE WAY  
RICHMOND BC V7C 0A3  
CANADA

---

**DIRECTOR INFORMATION**

**Last Name, First Name, Middle Name:**  
GOU, HONG LIN

**Mailing Address:**  
1607 EAST 55TH AVENUE  
VANCOUVER BC V5P 1Z4  
CANADA

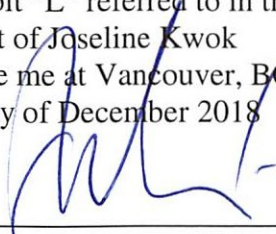
**Delivery Address:**  
1607 EAST 55TH AVENUE  
VANCOUVER BC V5P 1Z4  
CANADA

---

NO OFFICER INFORMATION FILED.

---

This is Exhibit "L" referred to in the  
affidavit of Joseline Kwok  
sworn before me at Vancouver, BC  
this 3<sup>rd</sup> day of December 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: 2285580000

Declared Value \$670000

000124  
2018-12-03, 10:30:21  
Requestor: Joseline Kwok

\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\*

<b>Title Issued Under</b>	STRATA PROPERTY ACT (Section 249)
<b>Land Title District</b> Land Title Office	NEW WESTMINSTER NEW WESTMINSTER
<b>Title Number</b> From Title Number	CA4644607 CA4598562
<b>Application Received</b>	2015-08-31
<b>Application Entered</b>	2015-09-02
<b>Registered Owner in Fee Simple</b> Registered Owner/Mailing Address:	CENSORIO GROUP (HASTINGS & BETA) PROPERTIES LTD., INC.NO. BC1041190 4723 HASTINGS STREET BURNABY, BC V5C 2K8
<b>Taxation Authority</b>	Burnaby, City of
<b>Description of Land</b> Parcel Identifier: Legal Description:	029-636-884 STRATA LOT 10 DISTRICT LOT 122 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS2787 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V
<b>Legal Notations</b>	NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA2485785 FILED 2012-04-13  HERETO IS ANNEXED EASEMENT CA2803107 OVER LOT 70 PLAN 51204  HERETO IS ANNEXED EASEMENT CA2981777 OVER LOTS 32 AND 33 BLOCK 6 PLAN 1308

**TITLE SEARCH PRINT**

File Reference: 2285580000

Declared Value \$670000

**Charges, Liens and Interests**

Nature: EASEMENT  
Registration Number: CA2803106  
Registration Date and Time: 2012-10-03 11:01  
Remarks: INTER ALIA  
APPURTENANT TO LOT 70 PLAN 51204

Nature: EASEMENT  
Registration Number: CA2981776  
Registration Date and Time: 2013-02-04 14:20  
Remarks: INTER ALIA  
APPURTENANT TO LOTS 32 AND 33 BLOCK 6 PLAN 1308

Nature: COVENANT  
Registration Number: BB3009945  
Registration Date and Time: 2013-07-16 10:16  
Registered Owner: CITY OF BURNABY  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA3405202  
Registration Date and Time: 2013-10-16 11:19  
Registered Owner: BRITISH COLUMBIA HYDRO AND POWER AUTHORITY  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA4226988  
Registration Date and Time: 2015-02-11 09:42  
Registered Owner: SHAW CABLESYSTEMS LIMITED  
INCORPORATION NO. A0075382  
Remarks: INTER ALIA

Nature: MORTGAGE  
Registration Number: CA4645536  
Registration Date and Time: 2015-08-31 13:16  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
INCORPORATION NO. (F1-18)  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA4645537  
Registration Date and Time: 2015-08-31 13:16  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
INCORPORATION NO. (F1-18)  
Remarks: INTER ALIA

**TITLE SEARCH PRINT**

File Reference: 2285580000

Declared Value \$670000

2018-12-03, 10:30:21  
000126

Requestor: Joseline Kwok

Nature: MORTGAGE  
Registration Number: CA5842620  
Registration Date and Time: 2017-02-28 10:18  
Registered Owner: BANCORP GROWTH MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856914  
BANCORP BALANCED MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856913  
BANCORP FINANCIAL SERVICES INC.  
INCORPORATION NO. BC0712503  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA5842621  
Registration Date and Time: 2017-02-28 10:18  
Registered Owner: BANCORP GROWTH MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856914  
BANCORP BALANCED MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856913  
BANCORP FINANCIAL SERVICES INC.  
INCORPORATION NO. BC0712503  
Remarks: INTER ALIA

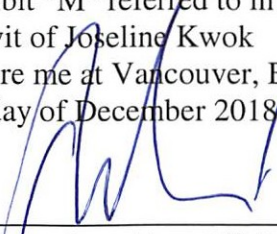
Nature: CERTIFICATE OF PENDING LITIGATION  
Registration Number: CA6734886  
Registration Date and Time: 2018-04-13 10:28  
Registered Owner: ALL CANADIAN INVESTMENT CORPORATION  
INCORPORATION NO. BC0570425  
Remarks: INTER ALIA

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE

This is Exhibit "M" referred to in the  
affidavit of Joseline Kwok  
sworn before me at Vancouver, BC  
this 3<sup>rd</sup> day of December 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: 2285580000

Declared Value \$2195000

2018-12-03, 10:30:21

Requestor: Joseline Kwok

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

<b>Title Issued Under</b>	STRATA PROPERTY ACT (Section 249)
<b>Land Title District</b> Land Title Office	NEW WESTMINSTER NEW WESTMINSTER
<b>Title Number</b> From Title Number	CA4644608 CA4598563
<b>Application Received</b>	2015-08-31
<b>Application Entered</b>	2015-09-02
<b>Registered Owner in Fee Simple</b> Registered Owner/Mailing Address:	CENSORIO GROUP (HASTINGS & BETA) PROPERTIES LTD., INC.NO. BC1041190 4723 HASTINGS STREET BURNABY, BC V5C 2K8
<b>Taxation Authority</b>	Burnaby, City of
<b>Description of Land</b> Parcel Identifier: Legal Description:	029-636-892 STRATA LOT 11 DISTRICT LOT 122 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS2787 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V
<b>Legal Notations</b>	NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA2485785 FILED 2012-04-13  HERETO IS ANNEXED EASEMENT CA2803107 OVER LOT 70 PLAN 51204  HERETO IS ANNEXED EASEMENT CA2981777 OVER LOTS 32 AND 33 BLOCK 6 PLAN 1308

**TITLE SEARCH PRINT**

File Reference: 2285580000

Declared Value \$2195000

**Charges, Liens and Interests**

Nature: EASEMENT  
Registration Number: CA2803106  
Registration Date and Time: 2012-10-03 11:01  
Remarks: INTER ALIA  
APPURTENANT TO LOT 70 PLAN 51204

Nature: EASEMENT  
Registration Number: CA2981776  
Registration Date and Time: 2013-02-04 14:20  
Remarks: INTER ALIA  
APPURTENANT TO LOTS 32 AND 33 BLOCK 6 PLAN 1308

Nature: COVENANT  
Registration Number: BB3009945  
Registration Date and Time: 2013-07-16 10:16  
Registered Owner: CITY OF BURNABY  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA3405202  
Registration Date and Time: 2013-10-16 11:19  
Registered Owner: BRITISH COLUMBIA HYDRO AND POWER AUTHORITY  
Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA4226988  
Registration Date and Time: 2015-02-11 09:42  
Registered Owner: SHAW CABLESYSTEMS LIMITED  
INCORPORATION NO. A0075382  
Remarks: INTER ALIA

Nature: MORTGAGE  
Registration Number: CA4645536  
Registration Date and Time: 2015-08-31 13:16  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
INCORPORATION NO. (F1-18)  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA4645537  
Registration Date and Time: 2015-08-31 13:16  
Registered Owner: BLUESHORE FINANCIAL CREDIT UNION  
INCORPORATION NO. (F1-18)  
Remarks: INTER ALIA

**TITLE SEARCH PRINT**

File Reference: 2285580000

Declared Value \$2195000

000130  
2018-12-03, 10:30:21

Requestor: Joseline Kwok

Nature: MORTGAGE  
Registration Number: CA5842620  
Registration Date and Time: 2017-02-28 10:18  
Registered Owner: BANCORP GROWTH MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856914  
BANCORP BALANCED MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856913  
BANCORP FINANCIAL SERVICES INC.  
INCORPORATION NO. BC0712503  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA5842621  
Registration Date and Time: 2017-02-28 10:18  
Registered Owner: BANCORP GROWTH MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856914  
BANCORP BALANCED MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856913  
BANCORP FINANCIAL SERVICES INC.  
INCORPORATION NO. BC0712503  
Remarks: INTER ALIA

Nature: CERTIFICATE OF PENDING LITIGATION  
Registration Number: CA6734886  
Registration Date and Time: 2018-04-13 10:28  
Registered Owner: ALL CANADIAN INVESTMENT CORPORATION  
INCORPORATION NO. BC0570425  
Remarks: INTER ALIA

**Duplicate Indefeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE

This is Exhibit "N" referred to in the  
affidavit of Joseline Kwok  
sworn before me at Vancouver, BC  
this 3<sup>rd</sup> day of December 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: 2285580000

Declared Value \$1135000

**\*\*CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN\*\***

<b>Title Issued Under</b>	STRATA PROPERTY ACT (Section 249)
<b>Land Title District</b> Land Title Office	NEW WESTMINSTER NEW WESTMINSTER
<b>Title Number</b> From Title Number	CA4644606 CA4598561
<b>Application Received</b>	2015-08-31
<b>Application Entered</b>	2015-09-02
<b>Registered Owner in Fee Simple</b> Registered Owner/Mailing Address:	CENSORIO GROUP (HASTINGS & BETA) PROPERTIES LTD., INC.NO. BC1041190 4723 HASTINGS STREET BURNABY, BC V5C 2K8
<b>Taxation Authority</b>	Burnaby, City of
<b>Description of Land</b> Parcel Identifier: Legal Description:	029-636-876 STRATA LOT 9 DISTRICT LOT 122 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS2787 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V
<b>Legal Notations</b>	NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA2485785 FILED 2012-04-13  HERETO IS ANNEXED EASEMENT CA2803107 OVER LOT 70 PLAN 51204  HERETO IS ANNEXED EASEMENT CA2981777 OVER LOTS 32 AND 33 BLOCK 6 PLAN 1308

**TITLE SEARCH PRINT**

File Reference: 2285580000

Declared Value \$1135000

2018-12-03, 10:30:19

Requestor: Joseline Kwok

**Charges, Liens and Interests**

Nature:	EASEMENT
Registration Number:	CA2803106
Registration Date and Time:	2012-10-03 11:01
Remarks:	INTER ALIA APPURTENANT TO LOT 70 PLAN 51204
Nature:	EASEMENT
Registration Number:	CA2981776
Registration Date and Time:	2013-02-04 14:20
Remarks:	INTER ALIA APPURTENANT TO LOTS 32 AND 33 BLOCK 6 PLAN 1308
Nature:	COVENANT
Registration Number:	BB3009945
Registration Date and Time:	2013-07-16 10:16
Registered Owner:	CITY OF BURNABY
Remarks:	INTER ALIA
Nature:	STATUTORY RIGHT OF WAY
Registration Number:	CA3405202
Registration Date and Time:	2013-10-16 11:19
Registered Owner:	BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
Remarks:	INTER ALIA
Nature:	STATUTORY RIGHT OF WAY
Registration Number:	CA4226988
Registration Date and Time:	2015-02-11 09:42
Registered Owner:	SHAW CABLESYSTEMS LIMITED INCORPORATION NO. A0075382
Remarks:	INTER ALIA
Nature:	MORTGAGE
Registration Number:	CA4645536
Registration Date and Time:	2015-08-31 13:16
Registered Owner:	BLUESHORE FINANCIAL CREDIT UNION INCORPORATION NO. (F1-18)
Remarks:	INTER ALIA
Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA4645537
Registration Date and Time:	2015-08-31 13:16
Registered Owner:	BLUESHORE FINANCIAL CREDIT UNION INCORPORATION NO. (F1-18)
Remarks:	INTER ALIA

**TITLE SEARCH PRINT**

File Reference: 2285580000

Declared Value \$1135000

2018-12-03, 10:30:19

Requestor: Joseline Kwok

Nature: MORTGAGE  
Registration Number: CA5842620  
Registration Date and Time: 2017-02-28 10:18  
Registered Owner: BANCORP GROWTH MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856914  
BANCORP BALANCED MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856913  
BANCORP FINANCIAL SERVICES INC.  
INCORPORATION NO. BC0712503  
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS  
Registration Number: CA5842621  
Registration Date and Time: 2017-02-28 10:18  
Registered Owner: BANCORP GROWTH MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856914  
BANCORP BALANCED MORTGAGE FUND II LTD.  
INCORPORATION NO. BC0856913  
BANCORP FINANCIAL SERVICES INC.  
INCORPORATION NO. BC0712503  
Remarks: INTER ALIA

Nature: CERTIFICATE OF PENDING LITIGATION  
Registration Number: CA6734886  
Registration Date and Time: 2018-04-13 10:28  
Registered Owner: ALL CANADIAN INVESTMENT CORPORATION  
INCORPORATION NO. BC0570425  
Remarks: INTER ALIA

**Duplicate Infeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE