

THE BURROWS

DISCLOSURE STATEMENT THIRD AMENDMENT

Date of Disclosure Statement: June 30, 2016

Date of any prior Amendments: March 30, 2017
May 11, 2018

Date of this Amendment: December 19th, 2018

Name of Development: The Burrows

Name of Developer: Adalard Holdings Ltd.
PO Box 1166
Kamloops, BC V2C 6H3

Developer's Address for Service in BC: c/o Registered and Records Office
200 - 121 St. Paul Street
Kamloops, BC V2C 3K8

Name and Business Address of any Real Estate Brokerage acting on behalf of the Developer: Royal LePage Westwin Realty
800 Seymour Street
Kamloops, BC V2C 2H5

DISCLAIMER

THIS DISCLOSURE STATEMENT HAS BEEN FILED WITH THE SUPERINTENDENT OF REAL ESTATE, BUT NEITHER THE SUPERINTENDENT, NOR ANY OTHER AUTHORITY OF THE GOVERNMENT OF THE PROVINCE OF BRITISH COLUMBIA, HAS DETERMINED THE MERITS OF ANY STATEMENT CONTAINED IN THE DISCLOSURE STATEMENT, OR WHETHER THE DISCLOSURE STATEMENT CONTAINS A MISREPRESENTATION OR OTHERWISE FAILS TO COMPLY WITH THE REQUIREMENTS OF THE *REAL ESTATE DEVELOPMENT MARKETING ACT*. IT IS THE RESPONSIBILITY OF THE DEVELOPER TO DISCLOSE PLAINLY ALL MATERIAL FACTS, WITHOUT MISREPRESENTATION.

PRE-SALE OF UNITS

THIS DISCLOSURE STATEMENT RELATES TO A DEVELOPMENT PROPERTY THAT IS NOT YET COMPLETED. PLEASE REFER TO SECTION 7.2 FOR INFORMATION ON THE PURCHASE AGREEMENT. THAT INFORMATION HAS BEEN DRAWN TO THE ATTENTION OF [NAME OF PURCHASER]: _____, WHO HAS CONFIRMED THAT FACT BY INITIALLING IN THE SPACE PROVIDED HERE:

Initial(s) of Purchaser(s)

**THIS IS A PHASE DISCLOSURE STATEMENT FILED PURSUANT TO THE
REAL ESTATE DEVELOPMENT MARKETING ACT.**

The Phase Disclosure Statement dated June 30, 2016 as amended by:

First Amendment to the Disclosure Statement dated March 30, 2017

Second Amendment to the Disclosure Statement dated May 11, 2018

is further amended as follows:

7. MISCELLANEOUS

Paragraph 7.2 is deleted in its entirety and replaced with the following:

7.2. Purchase Agreement:

- (a) Attached as **Exhibit 7.2(a)** is a copy of the standard BC Real Estate Association and Canadian Bar Association (BC Branch) Contract of which will be used for purchases of Strata Lots (the "Contract").

Purchasers are advised that Paragraph 20A. of the Contract is deleted in its entirety and replaced with the following Paragraph 2 in the Addendum (as defined below):

2. NO ASSIGNMENT OF CONTRACT

The Buyer has no right to assign this Contract and the Buyer acknowledges that the Seller may refuse consent to such assignment in its sole discretion.

The Buyer may not assign his or her interest in the Property without the Seller's written consent, and unless the Seller so consents, the Seller will not be required to convey the Property to anyone other than the Buyer named in this Contract. The Seller may, at its option, charge an administration fee equal to 1.5% of the Purchase Price as consideration for agreeing to an assignment of the Buyer's interest in the Property or in this Contract and for any associated legal and administrative costs, except that there will be no such charge if the assignee is the Buyer's spouse, parent, child, grandparent or grandchild. Following any assignment, the assignor will not be relieved of his or her obligations under this Contract but will continue to remain liable to perform all obligations of the Buyer under this Contract. The Buyer will not advertise or solicit offers from the public with respect to the resale of the Property by the Buyer before the Completion Date without the express prior written consent of the Seller, which consent may be arbitrarily withheld.

As stated above, any assignment of a purchase agreement is prohibited without the Seller's prior consent and refusal of consent to such assignment is in the sole discretion of the Seller.

An assignment under the *Real Estate Development Marketing Act* is a transfer of some or all of the rights, obligations and benefits under a purchase agreement made in respect of a strata lot in a development property, whether the transfer is made by the Buyer under the purchase agreement to another person or is a subsequent transfer.

Each proposed party to an assignment agreement must provide the Seller with the information and records required under the *Real Estate Development Marketing Act*.

Before the Seller consents to an assignment of a purchase agreement, the Seller will be required to collect information and records under the *Real Estate Development Marketing Act* from each proposed party to an assignment agreement, including personal information, respecting the following:

- (a) the party's identify;
- (b) the party's contact and business information;
- (c) the terms of the assignment agreement.

The Information and records collected by the Seller must be reported by the Seller to the administrator designated under the *Property Transfer Tax Act*. The information and records may only be used or disclosed for tax purposes and other purposes authorized by Section 20.5 of the *Real Estate Development Marketing Act*, which includes disclosure to the Canada Revenue Agency.

- (b) Attached as Exhibit 7.2(b) is a copy of an Addendum to the Contract (the "Addendum") which will be used for purchases of Strata Lots.

Purchasers are advised that:

- (i) Paragraph 1 (*Real Estate Development Marketing Act* Requirements) of the Addendum sets out the Purchaser's right to terminate the Contract in respect of:

- (A) an amendment to the Disclosure Statement:

- (I) that discloses the layout or size of that Strata Lot or a major common facility in the Development or the general layout of the Development is materially changed by the issuance of the building permit; or,

- (II) the Developer ("Seller" in the Contract and Addendum) fails to file an amendment to this Disclosure Statement within the prescribed time period in respect of issuance of a building permit for the subject Strata Lot; or,
 - (III) the Developer fails to file an amendment to this Disclosure Statement within the prescribed time period in respect of obtaining a satisfactory financing commitment;
 - (ii) Paragraph 2 (No Assignment of Contract) of the Addendum:
 - (A) provides that no assignment of the Contract will be permitted - see paragraph 7.2(a)(i) above; and
 - (B) sets out reporting requirements and collection of personal information regarding an Assignment of the Contract that Purchasers should be aware of;
 - (iii) Paragraph 3 (Completion Date) of the Addendum permits the Developer to extend the completion date in certain circumstances beyond the Developer's control, provided that the Developer has exercised all reasonable diligence in completing construction. Regardless of the reason for delay, if the Developer is unable to provide the Property to the Purchaser by the Final Date then the Purchaser may terminate the Contract;
 - (iv) Paragraph 12 (Seller's Election) of the Addendum permits the Developer to rescind any Contract if the Developer has not sold, in the Developer's sole discretion, sufficient Strata Lots. Upon such termination by the Developer, the Purchaser shall be entitled to an immediate return of all deposits and shall have no further claim against the Developer;
 - (v) Paragraph 15 (Time) of the Addendum permits the Developer to cancel the Contract and retain the Purchaser's deposit without prejudice to the Developer's other remedies. Paragraph 15 also provides that the Developer may terminate the Contract if the Purchaser is not able to pay the balance of the Purchase Price on the Completion Date and that the deposit would be forfeited to the Seller in such a circumstance.
- (c) Purchase Deposits pursuant to the Contract will not be placed in interest bearing accounts and will not accrue interest.

Exhibit 7.2(b), being the proposed Addendum to Contract of Purchase and Sale, is deleted in its entirety and replaced with the revised Addendum Contract of Purchase and Sale attached as **Exhibit 7.2(b)(i)** hereto.

Exhibits Attached:

Exhibit 7.2(b)(i) Addendum to Contract of Purchase and Sale

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DEEMED RELIANCE

SECTION 22 OF THE REAL ESTATE DEVELOPMENT MARKETING ACT PROVIDES THAT EVERY PURCHASER WHO IS ENTITLED TO RECEIVE THIS DISCLOSURE STATEMENT IS DEEMED TO HAVE RELIED ON ANY FALSE OR MISLEADING STATEMENT OF A MATERIAL FACT CONTAINED IN THIS DISCLOSURE STATEMENT, IF ANY, AND ANY OMISSION TO STATE A MATERIAL FACT. THE DEVELOPER, ITS DIRECTORS AND ANY PERSON WHO HAS SIGNED OR AUTHORIZED THE FILING OF THIS DISCLOSURE STATEMENT ARE LIABLE TO COMPENSATE THE PURCHASER FOR ANY MISREPRESENTATION, SUBJECT TO ANY DEFENCES AVAILABLE UNDER SECTION 22 OF THE ACT.

DECLARATION

The foregoing statements disclose, without misrepresentation, all material facts relating to the Development referred to above, as required by the *Real Estate Development Marketing Act* of British Columbia, as of the 17th day of December, 2018.

ADALARD HOLDINGS LTD.
by its authorized signatory:




Michael Arnold Mitchell - president



Michael Arnold Mitchell - director



Thomas Benjamin Calne - director



Christopher Thomas Gjernes - director