

DISCLOSURE STATEMENT
BARE LAND STRATA LOTS
(Real Estate Development Marketing Act)

1029804 BC Ltd.
Sicamous, British Columbia

- **Name of Developer:** 1029804 BC Ltd. (Inc. No. BC1029804)
- **Business address for Developer:** c/o Greg Darroch
100 - 4007 27 Street
Vernon, British Columbia V1T 4X9
- **Address for Service for the Developer:** 905- 1631 Dickson Avenue
Kelowna, British Columbia, V1Y 0B5
- **Developer's Agents:**

The Developer intends to market the Strata Lots offered for sale under this Disclosure Statement using its own employees. The Developer advises that its employees are not licensed under the *Real Estate Services Act* and are not acting on behalf of the purchaser. In addition, the Developer will engage Lovig Auction Group Ltd., having an address at 905 – 1631 Dickson Avenue, Kelowna, British Columbia, V1Y 0B5, to market in British Columbia certain Strata Lots by way of an unreserved bid auction process. Lovig Auction Group Ltd. may engage a licensed realtor for the auction process. The Developer reserves the right to substitute other listing agents or licensed relator from time to time to represent the Developer in the sale of the Development.

- **Date of the Disclosure Statement:** July 14, 2022
- **Date of First Amendment:** August 26, 2022

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.

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. This information has been drawn to the attention of:

This Amended Disclosure Statement has been delivered to the Purchaser(s) by Electronic Means.

[Insert Purchaser(s) Name], specifically consent, pursuant to Section 15(3) of the Real Estate Development Marketing Act, to accept receipt of this Disclosure Statement by electronic means, who has confirmed that fact by initialing in the space provided here: _____.

The Disclosure Statement dated July 14, 2022, is amended as follows:

7. Miscellaneous

7.2 Purchase Agreement

Section 7.2, Purchase Agreement, is amended by adding the following paragraph, to form paragraph 7.2 (f).

The deposit monies received from a purchaser of a Strata Lot will be held in a non-interest bearing trust account, by DuMoulin Boskovich LLP, subject to section 7.1 of this Disclosure Statement.

Section 7.2, Purchase Agreement, is amended by adding the following paragraphs, as paragraph 7.2 (g):

The Auction Sales Agreement contains termination rights in sections 36 and 50:

36. Time will be of the essence and unless all payments on account of the Purchase Price, together with adjustments thereto as provided herein and all other amounts payable hereunder are paid when due, the Seller may at its option:

- a) cancel the Agreement by written notice to the Buyer or the Buyer's Solicitor and in such event the amount theretofore paid by the Buyer will be absolutely forfeited to the Seller in accordance with section 2 without prejudice to its other remedies which amount the Seller will be entitled to be paid upon written demand therefore by the Seller; or
- b) elect to complete the transaction contemplated herein, in which event the Buyer will pay to the Seller, in addition to the Purchase Price, interest on the unpaid portion of the Purchase Price and other unpaid amounts payable hereunder at the rate of 2% per month (24% per annum) calculated daily from the date upon which such portion and amounts were due to the date upon which such portion and amounts are paid.

The Seller may so cancel the Agreement at any time during the continuance of the default by the Buyer, even if the Seller has previously elected to complete the transaction. If the Buyer's default continues, the Seller may thereafter elect to cancel the Agreement or complete the transaction pursuant to section 36 (a) or 36 (b) as applicable

50. The Seller anticipates that a satisfactory financing commitment, as disclosed in the Disclosure Statement, will be issued on or within 12 months from the date the initial Disclosure Statement was filed (the "Date of the Disclosure Statement"). After issuance of the satisfactory financing commitment, an amendment to the Disclosure Statement or an Amended Disclosure Statement (in either case referred to in this section as the "Amendment") will be filed with the office of the Superintendent of Real Estate, setting out the particulars of the satisfactory financing commitment. The Seller will deliver the Amendment to the Buyer, and the Buyer will provide the Seller with a signed form acknowledging receipt of the Amendment forthwith upon receipt of the Amendment.

In accordance with the policies of the Superintendent of Real Estate, the following provisions are incorporated into and form part of this Agreement:

- a) If an Amendment that sets out particulars of a satisfactory financing commitment is not received by the Buyer within 12 months after the Date of the Disclosure Statement, the Buyer may at his or her option cancel this Agreement at any time after the end of that 12-month period until the required Amendment is received by the Buyer;
- b) The amount of the Deposit to be paid by a Buyer who has not yet received an Amendment to the Disclosure Statement that sets out particulars of a satisfactory financing commitment is no more than 10% of the Purchase Price; and
- c) The Deposit, including interest earned, if applicable, will be returned promptly to the Buyer upon notice of cancellation from the Buyer.

Section 7.2, Purchase Agreement, is amended by adding the following paragraphs, as paragraph 7.2 (h):

The Conventional Sales Agreement contains termination rights in sections 2, 35, and 49:

2. In respect of the Deposit, the Seller's Solicitor is authorized, unless precluded by Court order, to pay the Deposit:
 - a) to the Seller on account of the Purchase Price concurrently with the completion of the sale and purchase contemplated by the Agreement;
 - b) to the Buyer as liquidated damages and as the Buyer's sole remedy if the purchase and sale contemplated by the Agreement is not completed by reason of the Seller's default hereunder; or
 - c) subject to section 35, to the Seller, without prejudice to any other right or remedy of the Seller, if the purchase and sale contemplated by the Agreement is not completed by reason of the Buyer's default hereunder.

35. Time will be of the essence and unless all payments on account of the Purchase Price, together with adjustments thereto as provided herein and all other amounts payable hereunder are paid when due, the Seller may at its option:

- a) cancel the Agreement by written notice to the Buyer or the Buyer's Solicitor and in such event the amount theretofore paid by the Buyer will be absolutely forfeited to the Seller in accordance with section 2 without prejudice to its other remedies which amount the Seller will be entitled to be paid upon written demand therefore by the Seller; or
- b) elect to complete the transaction contemplated herein, in which event the Buyer will pay to the Seller, in addition to the Purchase Price, interest on the unpaid portion of the Purchase Price and other unpaid amounts payable hereunder at the rate of 2% per month (24% per annum) calculated daily from the date upon which such portion and amounts were due to the date upon which such portion and amounts are paid.

The Seller may so cancel the Agreement at any time during the continuance of the default by the Buyer, even if the Seller has previously elected to complete the transaction. If the Buyer's default continues, the Seller may thereafter elect to cancel the Agreement or complete the transaction pursuant to section 35 (a) or 35 (b) as applicable.

49. The Seller anticipates that a satisfactory financing commitment, as disclosed in the Disclosure Statement, will be issued on or within 12 months from the date the initial Disclosure Statement was filed (the "Date of the Disclosure Statement"). After issuance of the satisfactory financing commitment, an amendment to the Disclosure Statement or an Amended Disclosure Statement (in either case referred to in this section as the "Amendment") will be filed with the office of the Superintendent of Real Estate, setting out the particulars of the satisfactory financing commitment. The Seller will deliver the Amendment to the Buyer, and the Buyer will provide the Seller with a signed form acknowledging receipt of the Amendment forthwith upon receipt of the Amendment.

In accordance with the policies of the Superintendent of Real Estate, the following provisions are incorporated into and form part of this Agreement:

- a) If an Amendment that sets out particulars of a satisfactory financing commitment is not received by the Buyer within 12 months after the Date of the Disclosure Statement, the Buyer may at his or her option cancel this Agreement at any time after the end of that 12-month period until the required Amendment is received by the Buyer;
- b) The amount of the Deposit to be paid by a Buyer who has not yet received an Amendment to the Disclosure Statement that sets out particulars of a satisfactory financing commitment is no more than 10% of the Purchase Price; and
- c) The Deposit, including interest earned, if applicable, will be returned promptly to the Buyer upon notice of cancellation from the Buyer.

Section 7.2(d), Purchase Agreement, is amended by adding the following to the end of the first paragraph:

One of the conditions are, if the seller receives notice of an assignment and consent is provided by the seller, the following fees are apply:

- 1) an assignment fee equal to \$2,500 plus GST is payable by the Buyer to the Seller, if the assignment is more than 48 hours after acceptance of an offer to purchase and is to a Related Individual or Individuals; or
- 2) an assignment fee equal to 2% of the Purchase Price plus GST is payable by the Buyer to the Seller.

Exhibit K – Rental Disclosure Statement

The Rental Disclosure Statement is amended by deleting and replacing clause 4 with:

There is a bylaw of the strata corporation that restricts the rental of strata lots, the text of which is attached to as Schedule 1 and forms part of this statement:

Schedule 1 to Form J – Rental Disclosure Statement

The following provisions restrict the rental of strata lots:

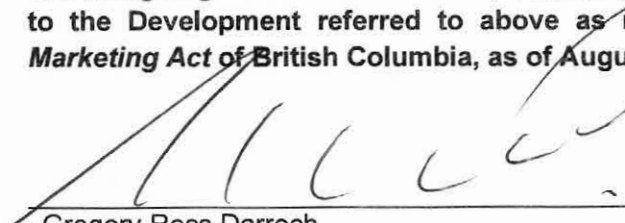
- 1 The RV Strata Lots and certain rights of the owners of the RV Strata Lots to the common property are the subject of rental management agreements (the “Rental Management Agreement”) between the owners and a rental manager.
- 2 The RV Strata Lots may be used only for temporary and seasonal accommodation purposes.
- 3 Accommodation of an RV Strata Lot is only permitted between March 1 and October 31 of each calendar year.
- 4 The owner of an RV Strata Lot will either leave the RV Strata Lot vacant or rent it in accordance with a rental management agreement with the Rental Manager when the owner, or members of the owner’s immediate family, are not using the RV Strata Lot.
- 5 The owner of an RV Strata Lot shall not be permitted to rent or offer to rent the owner’s RV Strata Lot other than pursuant to a Rental Management Agreement with the Rental Manager.
- 6 The owner of an RV Strata Lot may not at any time Privately Rent the RV Strata Lot.
- 7 No more than eight (8) people who are Renters with a maximum of four (4) adults may occupy an RV Strata Lot at a time.

CAUTION

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 August 26, 2022.



Gregory Ross Darroch,
Director of 1029804 BC Ltd



Witness Trena Foster

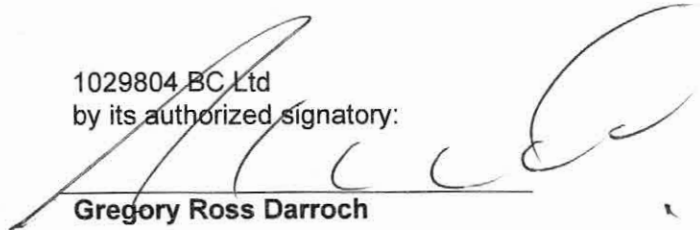
3009 - 28th Street, Vernon, B.C., V1T 4Z7

Address

Legal Assistant

Occupation

1029804 BC Ltd
by its authorized signatory:


Gregory Ross Darroch