



This is the 1<sup>st</sup> affidavit of Jennifer Alambre in this case and was made on August 26, 2024

No. \_\_\_\_\_  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

NATIONAL BANK OF CANADA

PETITIONER

AND

BY THE BAY HOME DEVELOPMENT LTD.

RESPONDENT

AFFIDAVIT

I, **Jennifer Alambre**, of 3500 – 1133 Melville Street, Vancouver, British Columbia, SWEAR THAT:

1. I am a legal assistant at Blake, Cassels & Graydon LLP, counsel for the National Bank of Canada, the petitioner in this proceeding (the “**Bank**”), and as such I have personal knowledge of the matters deposed to in this Affidavit, except where I depose to a matter based on information from an informant I identify, in which case I believe that both the information from the informant and the resulting statement are true.

2. I swear this affidavit in support of a petition filed by the Bank in this action seeking, among other things, order appointing a receiver over the assets and undertakings of the respondent, By the Bay Home Development Ltd. (“**By the Bay**”).

3. Attached as **Exhibits A to T** of my affidavit are true copies of the following documents:

**Loan Agreements and Security Documents**

- (a) **Exhibit “A”**: a loan agreement dated October 2, 2019 made between the Bank and By the Bay (the “**Loan Agreement**”);
- (b) **Exhibit “B”**: an agreement dated March 9, 2022 made between the Bank and By the Bay to amend the Loan Agreement;

- (c) **Exhibit "C"**: a further agreement dated June 1, 2022 made between the Bank and By the Bay to amend the Loan Agreement;
- (d) **Exhibit "D"**: an executed copy of the Land Title Act Form B mortgage dated December 19, 2019 between the Bank and By the Bay pursuant to which By the Bay granted to the Bank a mortgage (the "**Mortgage**") on PID 031-425-909, bearing a legal description of LOT 1 BLOCK 51 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER DISTRICT PLAN EPP109066 (the "**Property**");
- (e) **Exhibit "E"**: the Bank's standard mortgage terms (MT140002) that apply to and govern the Mortgage;
- (f) **Exhibit "F"**: a General Security Agreement executed by By the Bay in favour of the Bank dated December 12, 2019;
- (g) **Exhibit "G"**: a letter of guarantee executed by Dimex Properties Inc. ("**DPI**") in favour of the Bank dated December 12, 2019;
- (h) **Exhibit "H"**: a letter of guarantee executed by Dimex Developments Inc. ("**DDI**") in favour of the Bank dated December 12, 2019;
- (i) **Exhibit "I"**: a letter of guarantee executed by Sundhir Dhillon in favour of the Bank dated December 12, 2019;

#### **Public Documents**

- (j) **Exhibit "J"**: a British Columbia Land Title Office Search Print for the Property dated August 26, 2024;
- (k) **Exhibit "K"**: an order for foreclosure made in a court proceeding under Vancouver Registry No. H-230883 on January 11, 2024;
- (l) **Exhibit "L"**: an order for conduct of sale made in a court proceeding under Vancouver Registry No. H-230883 on January 11, 2024;
- (m) **Exhibit "M"**: a City of Vancouver Property Tax Certificate for the Property retrieved August 26, 2024;
- (n) **Exhibit "N"**: a claim of builders lien filed against title to the Property dated June 16, 2023;
- (o) **Exhibit "O"**: a claim of builders lien filed against title to the Property dated June 25, 2024;
- (p) **Exhibit "P"**: a corporate summary for By the Bay retrieved August 26, 2024.
- (q) **Exhibit "Q"**: a personal property registry search for By the Bay dated August 26, 2024;

**Correspondence**

- (r) **Exhibit "R"**: a letter sent by the Bank to By the Bay, DPI, DDI, and Sundhir Dhillon dated February 28, 2024;
- (s) **Exhibit "S"**: a letter from counsel for the Bank to By the Bay, DPI, DDI, and Sundhir Dhillon dated August 2, 2024, together with its enclosure;
- (t) **Exhibit "T"**: an email from Sundhir Dhillon to me dated August 8, 2024, together with the documents attached to that email.

SWORN BEFORE ME at Vancouver, British Columbia on August 26, 2024



A Commissioner for taking Affidavits for British Columbia



**Jennifer Alambre**

**MARIE TURCOTT**  
*Barrister & Solicitor*  
**BLAKE, CASSELS & GRAYDON LLP**  
1133 Melville Street  
Suite 3500, The Stack  
Vancouver, B.C. V6E 4E5  
604-631-4200

This is **Exhibit "A"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



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A Commissioner for the taking of Affidavits for  
British Columbia





National Bank of Canada  
Real Estate Group  
311 6th Avenue SW, 6th Floor  
Calgary, Alberta T2P 3H2

October 2, 2019

By The Bay Home Development Ltd.  
c/o Dimex Group  
610 – 1155 West Pender Street  
Vancouver, BC V6E 2P4

Mr. Sundhir (Sunny) Dhillon,

We are pleased to inform you of National Bank of Canada's offer to the Borrower of the following credit facility, subject to the following terms and conditions (the "Loan Agreement" or "this Agreement"):

1. **BORROWER**  
By The Bay Home Development Ltd. (the "Borrower"), the ownership structure of which is more particularly set out in Schedule "B" attached hereto.
2. **LENDER**  
National Bank of Canada (the "Bank")
3. **TYPE OF CREDIT FACILITY AND AMOUNT (THE "FACILITIES", and each a "FACILITY")**
  - i) An uncommitted interim construction loan in the amount of CDN \$14,460,000 (the "Facility #1").
  - ii) An uncommitted overdraft loan in the amount of CDN \$500,000 (the "Facility #2").
  - iii) Letter of Credit up to CDN \$1,000,000 (the "Facility #3").

Available at the Borrower's option by way of Prime Rate Based Loans in CDNS ("Prime Based Loans"). All amounts are in Canadian Dollars unless otherwise specified.
4. **PURPOSE OF THE FINANCING**
  - i) Facility #1 shall be used for financing the construction of a 13-unit ICF frame development located at 1509, 1517, 1525 and 1533 Harwood Street, Vancouver, British Columbia, and legally described as: (i) PID: 003-511-995 Strata Lot 1 District Lot 185 Strata Plan VR. 152; (ii) PID: 003-512-002 Strata Lot 2 District Lot 185 Strata Plan VR. 152; (iii) PID: 003-512-134 Strata Lot 4 District Lot 185 Strata Plan VR. 152; and (iv) PID: 003-512-045 Strata Lot 3 District Lot 185 Strata Plan VR. 152 (collectively, the "Project" or the "Property").
  - ii) Facility #2 shall be provided by the Bank within its allocated amount as a sub-limit under Facility #1 to assist with Project-related expenses until the next draw under Facility #1.
  - iii) Facility #3 (the "LCs") to be issued by the Bank to allow for the issuance of LCs to the City of Vancouver and/or other beneficiaries in connection with the construction of the Project. LCs are to be issued for performance related requirements of the Project.
5. **INTEREST RATE**
  - i) Facility #1 and Facility #2 - Prime Rate + 1.50% per annum (to reduce to Prime + 1.15% upon achievement of Tranche 2 Qualifying Presales);
  - ii) Facility #3 - 1.50% per annum.

Prime Rate means the rate of interest per annum (based on a 365/366 day year) established and reported by the Bank to the Bank of Canada from time to time as the reference of interest for determination of interest rates that the Bank charges to customers of varying degrees of creditworthiness in Canada for Canadian dollar loans made by it in Canada.

**6. INTEREST CALCULATION AND PAYMENT**

Interest on Prime Based Loans is calculated daily and payable monthly in arrears based on the number of days which the loan advanced is outstanding. Interest is payable both before and after demand, default and judgement. L/C fees are payable at time of issuance of the L/Cs.

**7. APPLICATION FEE**

In consideration for arranging the Facilities, the Borrower agrees to pay or cause to be paid to the Bank an application fee equal to \$122,825. The application fee shall be due and payable from the initial drawdown under Facility #1 and will be net of the \$30,000 already received by the Bank.

**8. TENOR**

Uncommitted.

**9. DRAWDOWN**

**Facility #1:**

As requested, upon satisfaction of conditions precedent set out in Section 13, "Conditions Precedent" below, and per the following:

- 1) The Borrower will be allowed an initial drawdown up to \$5,500,000 ("Tranche 1") against the value of land and work in place. Funds are to be used to repay existing debt and support up front soft costs associated with the Project. An interest reserve of \$500,000 will be held back by the Bank and deposited into an interest reserve account with the Bank (the "Interest Reserve Account") to support interest and fees (including Bank, broker and legal). Monthly payments of interest shall be made from the Interest Reserve Account. The Bank may require the Borrower to make interest payments from its own resources should the Interest Reserve Account become insufficient to cover the estimated interest costs at any time during the Facilities. Any unused amounts in the Interest Reserve Account will be used to repay the Facility.
- 2) Upon achievement of qualifying presales totalling \$10,000,000 (net of GST) per requirements of Conditions Precedent, the Borrower will be allowed to drawdown up to \$13,650,000 ("Tranche 2") on a cost to complete basis.
  - a. Aggregate draws at step-off are limited to the lesser of:
    - i) Certified costs to date less:
      1. Project equity of \$2,689,950; and
      2. Mezzanine Loan of \$1,750,000,
    - ii) Or, the credit limit of \$13,650,000.
- 3) Upon achievement of qualifying presales totalling \$13,500,000 (net of GST) per requirements of Conditions Precedent, the Borrower will be allowed to drawdown up to \$14,450,000 ("Tranche 2") on a cost to complete basis.
  - a. Aggregate draws at step-off are limited to the lesser of:
    - i) Certified costs to date less:
      1. Project equity of \$1,889,950; and
      2. Mezzanine Loan of \$1,750,000,
    - ii) Or, the credit limit of \$14,450,000.
- 4) Advances beyond Tranche 1 will be funded on a cost to complete basis against monthly draw requests prepared and reviewed by a Quantity Cost Surveyor (the "QCS"), satisfactory to the Bank supported by the following:
  - a. Trial Balance confirming hard & soft costs;
  - b. Engineer's/Architect's Certificate;
  - c. Final set of architectural drawings and specifications;
  - d. Final sealed working drawings;
  - e. Construction budget showing original budget, revised budget, costs to date and costs to complete and cash flow projection;
  - f. List of accounts payable and holdbacks;
  - g. Compliance Certificate signed by the Borrower confirming compliance with the *Builders Lien Act*, all applicable tax legislation, and the terms and conditions herein;
  - h. Sales summary and summary of purchaser deposits together with copies of purchase and sale agreements not already provided to the Bank; and
  - i. Title sub search on the Property (to be obtained by the Bank).

"Qualified Presold Units" is defined as units with an unconditional purchase and sale agreement (the sale and transfer of which has yet to be completed), at no less than 95% of the list price per unit (net of GST), supported by a minimum 10% cash deposit received and a total of 15% cash deposit scheduled. Sales are to be in a form and amount satisfactory to the Bank. No bulk purchasers are permitted and are defined as purchasers who have purchased more than 2 units.

Deposit Protection Insurance ("DPI"), used as a source of financing against Project costs up to \$1,750,000, will reduce the Mezzanine Loan on a dollar for dollar basis. Any DPI used as a source of financing against Project costs beyond \$1,750,000 is to reduce the Facility #1 on a dollar for dollar basis.

Funding will not be permitted if any builder's lien or other notice of action under the *Builders Lien Act* is registered on title. Funding may resume once the lien is removed, or cash has been posted into court to address the lien.

- 5) The Borrower shall comply with the *Builders Lien Act* including without limitation, ensuring that the Borrower or the applicable contractor is retaining Holdbacks in the manner required under the *Builders Lien Act*. If a claim of a builders' or other similar lien is registered which affects the Property or Improvements, Borrower shall promptly notify the Bank and, within ten (10) days after Borrower becomes aware of such registration or service or within five days of Bank's demand, whichever occurs first: (a) pay and discharge the claim of lien; (b) effect the release thereof by registering or delivering to Bank a surety bond in sufficient form and amount in the Bank's determination; (c) cause a Title Company to insure over such claim of lien by endorsement to the Title Insurance Policy; (d) arrange for the payment into court or posting such other security as providing for in the *Builders Lien Act* to obtain a discharge of the lien as against the Property or the Improvements; or (e) provide Bank with other assurance which Bank deems, in its sole discretion, to be satisfactory for the payment of such claim of lien and for the full and continuous protection of Bank from the effect of such lien.

Without limitation of the foregoing, the Borrower shall:

- a. establish and maintain Holdback Account(s) (defined below);
- b. at the request of the Bank, provide to the Bank copies of all notices under and material correspondence regarding the *Builders Lien Act*, including without limitation prior advice of any proposed deposits to or withdrawals from the Holdback Account in sufficient detail for the Bank to confirm compliance with the *Builders Lien Act*;
- c. at the request of the Bank, apply to Court for directions in accordance with Section 5(3) of the *Builders Lien Act* (including without limitation the use of monies in the Holdback Account for the purposes of Section 23 of the Act) and, in the event that the Bank itself or through some other person takes or attempts to take such action, it will not object thereto; and
- d. at the request of the Bank, take all such action as shall be so requested to assist the Bank in successfully making application under Section 32 of the *Builders Lien Act* for priority of certain advances.

"*Builders Lien Act*" means the *Builders Lien Act* (British Columbia), regulations thereunder and any amendments or replacements.

"**Holdback**" means any amount required to be retained by the Borrower in respect of the value of work, services and materials actually done, performed, placed or furnished on or in the Project in accordance with the *Builders Lien Act*.

"**Holdback Account**" means a holdback account of the nature contemplated by section 5 of the *Builders Lien Act*, established by the Borrower and the applicable contractor(s) under the Act with the Bank.

Facility #2:

Available at the Borrower's option, upon satisfaction of conditions precedent set out in Section 13, "Conditions Precedent" below. Facility #2 will be available as an overdraft facility on a demand basis as a sub-limit of Facility #1 and is to revolve fully via monthly draw requests. Total drawn on Facility #1 and Facility #2 is not to exceed \$14,450,000.

Facility #3:

Available at the Borrower's option, upon satisfaction of conditions precedent set out in Section 13, "Conditions Precedent" below.

**10. REPAYMENT**Facility #1:

On Demand, in absence of prior demand, partial discharge of each unit constructed under the Project will be available at any time upon the Bank's receipt of 100% of the Net Sales Proceeds, provided that at least 10 Business Days prior to the date upon which the Borrower requires such partial discharge, the Borrower has provided the Bank with a copy of the purchase and sale agreement, a statement of adjustments and details of the closing costs with respect to the sale of each unit to be discharged. "Net Sales Proceeds" is defined as the gross sale price less closing costs of real estate commission, GST and legal costs. Closing costs shall be satisfactory to the Bank.

In any event, Facility #1 is to be fully repaid within 24 months of initial drawdown.

Facility #2:

On demand, with interest payable monthly. Any outstanding balance to be paid down with each draw under Facility #1 and fully repaid and cancelled with the final draw under Facility #1.

Facility #3:

Upon full repayment of Facility #1, any deposits, recoveries, and net sales proceeds as outlined above are to be held in a formally assigned National Bank Investment Vehicle to cash secure 100% of the residual L/Cs under Facility #3. Withdrawal of equity or profit is not permitted until residual L/Cs are fully cash secured.

**11. PREPAYMENT**

Permitted without penalty.

**12. SECURITY**

The following security shall be provided, shall, unless otherwise indicated, support all present and future indebtedness and liability of the Borrower and the grantor of the security to the Bank including without limitation indebtedness and liability under guarantees, foreign exchange contracts, cash management products, and derivative contracts, shall be registered in first position, and shall be on the Bank's standard form, supported by resolutions and solicitor's opinion, all acceptable to the Bank.

- 1) An opinion from a law firm acceptable to the Bank certifying the authorization, execution and delivery of this Loan Agreement and the Security and that the Borrower is in good standing supported by, but not limited to, Directors' Resolutions, Tax Certificate, Survey, Title sub search, etc;
- 2) First ranking Mortgage in the principal amount of the Facilities (or higher at the Borrower's option) in favor of the Bank, on the Property and free and clear of all priority charges, together with a beneficial direction and charge agreement from the beneficial owners of the Property (if applicable);
- 3) General assignment of rents and leases with respect to the Property;
- 4) General Security Agreement creating a first ranking charge over all present and after-acquired personal property located on or used in connection with the Property;
- 5) Corporate Guarantees in an amount sufficient to cover the Facilities from the following entities, including a Cost Overrun, Debt Service and Lien Free Completion Guarantee:
  - a. Dimex Properties Inc.;
  - b. Dimex Developments Inc.
- 6) Personal Guarantee in an amount sufficient to cover the Facilities from the following individual, including a Cost Overrun, Debt Service and Lien Free Completion Guarantee:
  - a. Mr. Sundhir (Sunny) Dhillon
- 7) Assignment of insurance policy (acceptable to the Bank and its insurance consultant and in the amount of the Facilities) with loss payable to the Bank in first position. Policy to contain both Builders All Risk and General Liability satisfactory to the Bank and the Bank's insurance consultant;
- 8) Assignment of all pertinent contracts related to the Project including but not limited to purchase and sale agreements with related deposits, construction contracts, management contracts, development agreements, permits and other documentation relating to the Project;
- 9) Irrevocable letter of direction (re: purchasers deposits and closing proceeds) to be signed by the Borrower and acknowledged by the Borrower's solicitors;
- 10) Priority agreement supported by a standard postponement and standstill agreement with the deposit insurer;

- 11) Priority agreement supported by a standard postponement and standstill agreement with the mezzanine lender;
- 12) Environmental indemnity Agreement;
- 13) Blanket indemnity agreement regarding L/Cs;
- 14) Subordination and postponement of any loans provided by a shareholder or related party of the Borrower (if applicable); and
- 15) All other security which the Bank or its legal counsel may reasonably request.

All persons and entities required to provide a guarantee shall be referred to in this Agreement individually as a "Surety" and/or "Guarantor" and collectively as the "Guarantors". All of the above security and guarantees shall be referred to collectively in this Agreement as "Bank Security".

### 13. CONDITIONS PRECEDENT

The following Conditions Precedent shall be provided prior to the disbursement of Facility #1 up to \$5,500,000 (Tranche 1) and issuance of a L/C under Facility #3 to the Bank's and its legal counsel's satisfaction:

- 1) All security is to be prepared by a solicitor selected by the Borrower from a list provided by the Bank. The solicitor is to act solely on behalf of the Bank, with all costs to be borne by the Borrower. All security to be on hand and in good order as confirmed by the Bank's solicitor;
- 2) Proof of title to the Property;
- 3) Confirmation that all property taxes have been paid;
- 4) Borrower is to open a separate bank account for the project at National Bank. All expenses, revenues and transactions related to this Project, and this Project alone, are to flow through the bank account;
- 5) AML/KYC documentation to the Bank's satisfaction including but not limited to the Borrower's organizational chart, duly signed by an officer, identifying the ultimate ownership of the Borrower and the FATCA form;
- 6) Individual providing personal guarantee is to complete the Bank's standard personal net worth statement;
- 7) General liability insurance policy, acceptable to the Bank and in a minimum amount of \$5,000,000 with loss payable to the Bank in first position.
- 8) Receipt of satisfactory Appraisal report confirming to the Bank that the Property has a minimum land value of \$9,450,000;
- 9) Receipt of a satisfactory Phase 1 (and Phase 2 if necessary) Environmental Site Assessment confirming to the Bank that the Project does not contain any hazardous materials or environmental risks. If remediation is required, the Borrower is to provide a Remediation Plan and any supporting documentation required by the Government of British Columbia and the City of Vancouver;
- 10) Receipt of a Geotechnical Report satisfactory to the Bank; and
- 11) Borrower is to provide a copy of the purchase and sale agreement of the Property, evidencing a purchase price of \$6,500,000.

The following Conditions Precedent shall be provided prior to the disbursement of Facility #1 beyond \$5,500,000 (Tranche 2) and Facility #2 to the Bank's and its legal counsel's satisfaction:

- 12) Borrower is to provide all documents supporting that municipal and other approvals are in place to permit the Project.
- 13) Preliminary Report completed by the QCS, satisfactory to the Bank, confirming a total cost budget of \$18,089,950 is sufficient to complete the Project;
- 14) Receipt of satisfactory Appraisal report confirming to the Bank that the property has a minimum value of \$22,000,000 upon completion of the Project;
- 15) All-risk insurance policy, acceptable to the Bank and in the amount of the Facilities, with loss payable to the Bank in first position. The Borrower's terms of coverage and their insuring companies must be entirely acceptable to the Bank and its insurance consultants at the Borrower's expense;
- 16) Provide building permits prior to advances against construction costs. Advances will be available based on partial Building Permits received provided that the QCS confirms that the work in place is supported by the current stage of Building Permit on hand;
- 17) Borrower to provide confirmation that the units have been insured by an acceptable New Home Warranty provider;
- 18) Confirmation that the Project has achieved a presale level of a minimum of \$10,000,000 (net of taxes), executed, with minimum scheduled deposits of 15% for home buyers and 20% for investors and must be within 95% of the appraised value of the individual units sold. Scheduled deposits are defined as 10% received at the time of signing and the remaining deposits to be received as per the *Real Estate*

- Development Marketing Act* and in accordance with the applicable purchase and sale agreements. Purchase and sale agreements to be reviewed ensuring contracts are firm and binding.
- 19) Receipt and satisfactory review of the disclosure statement(s) filed with the Superintendent of Real Estate and related amendments for the entire Project including review and approval of the form of pre-sale contract by the Bank's counsel;
  - 20) Borrower is to provide a signed Purchase and Sale Agreement for the non-arms length purchase of the penthouse unit at a minimum value of \$5,000,000 along with a comfort letter from Private Banking 1859 (National Bank) indicating that they could provide a mortgage for a minimum of 50% of the purchase price.
  - 21) Evidence that plans and specifications for the Project to be covered by the Bank's security are in full compliance with all applicable fire code regulations;
  - 22) QCS is to review the letters of intent (complete with details outlining scope of work) and/or fixed price contracts to ensure a minimum of 70% of the hard costs are covered with sub-trades upon commencement of construction and to provide an opinion that the contingency within the budget is sufficient to support the Project and is at minimum 4% of the total cost budget;
  - 23) The QCS is to provide an opinion to the Bank that the builder and the sub-trades have the experience to complete the Project;
  - 24) Such other documents as the Bank may reasonably require.

The following Conditions Precedent shall be provided prior to the disbursement of Facility #1 beyond \$13,500,000 (Tranche 3) to the Bank's and its legal counsel's satisfaction:

- 25) Confirmation that the Project has achieved a presale level of a minimum of \$13,500,000 (net of taxes), executed, with minimum scheduled deposits of 15% for home buyers and 20% for investors and must be within 95% of the appraised value of the individual units sold. Scheduled deposits are defined as 10% received at the time of signing and the remaining deposits to be received as per the *Real Estate Development Marketing Act* and in accordance with the applicable purchase and sale agreements. Purchase and sale agreements to be reviewed ensuring contracts are firm and binding. Preleasing of the rental units may be used to achieve the presale level noted above, subject to a mortgage-ability test conducted by the Bank and defined as the lesser of:
  - 65% of the Appraised Value of the unit;
  - The principal amount that can be serviced based on the net operating income ("NOI") generated by firm arms length leases, assuming a debt service coverage ratio of 1.20 times, an amortization period of 25 years and the prevailing interest rate based on the 5-year GOC rate plus 1.50%. NOI is defined as the lessor of the rental rate as determined by a Firm and Binding Lease or \$4.50 PSF, less 20% for operating expenses and vacancy allowance.
- 26) Such other documents as the Bank may reasonably require.

NOTE: All expert reports are to be addressed to the Bank or be accompanied by a reliance transmittal letter, satisfactory to the Bank, authorizing the Bank to use the information for the purposes of providing financing and confirming that the final conclusions of said reports remain unchanged with the exception of Condition Precedent #9 regarding the Environmental Report.

The obligation of the Bank to permit any drawdown hereunder is subject to the Standard Disbursement Conditions contained in Schedule "A".

#### 14. POSITIVE COVENANTS

Usual and customary for transactions of this nature and which may be contained in the Security together with such other covenants as the Bank, acting reasonably, may consider to be necessary in addition to the following:

- 1) Ensure that no material change in construction contracts, plans and specifications shall be permitted without the Bank's prior approval;
- 2) Any construction liens or other actions registered against the Property are cleared from title immediately;
- 3) Not allow the property held as security herein to become further encumbered without the consent of the Bank in writing;
- 4) Ensure no ownership changes without prior written authorization by the Bank.
- 5) Pay all costs reasonable out of pocket costs to the Bank including costs relating to the preparation and registration of all security;
- 6) Inject additional equity upon request to meet any cost overruns beyond the original budget.
- 7) Provide copies of annual financial statements for the Borrower and Guarantors within 90 days of their respective fiscal year ends;

- 8) Provide monthly construction progress reports showing cost-to-date and cost-to-complete and certifying conformity with the approved plans and specifications for the Project;
- 9) Provide a monthly certificate as to construction soft costs for the Project certified and sworn by the Controller of the Borrower;
- 10) Provide a statutory declaration signed by the Controller of the Borrower or lien waivers satisfactory to the Bank which provide or declare that all sub-trade accounts are current at the time of completion of the Project;
- 11) Provide monthly sales reports with the sale prices at pro-forma or greater unless approved by the Bank. The sales report shall include the individual unit number, size, listing price, sale price, amount of deposit received to date, amount of unpaid deposit to be received, and name of purchaser for each unit, and will total the number and size of sold and unsold units, listing and sale prices, and amounts of deposits received and to be received;
- 12) Provide evidence of payment of property taxes to be provided within 30 days of the Municipal taxation due date, failing which the Bank will obtain such evidence at the Borrower's expense;
- 13) Allow the Bank to either display signage on the construction site or requests the Borrower to include caption "Financed by National Bank - Real Estate Group" on their site signage;
- 14) Borrower shall provide the Bank with evidence of insurance in compliance with the Bank's requirements;
- 15) Trust deposits related to the Project are to be held in trust accounts with National Bank of Canada;
- 16) All lien holdback funds managed by the Borrower are to be held in an account at the Bank separate from the Project account.

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Loan Agreement remains in effect, the Borrower will and will ensure that its subsidiaries and each of the Guarantors will observe the Standard Positive Covenants set out in Schedule "A".

#### 15. NEGATIVE COVENANTS

Usual and customary for transactions of this nature and which may be contained in the Security together with such other covenants as the Bank, acting reasonably, may consider to be necessary, including, without limitation, limitations on encumbrances, additional debt, and dividends/distributions in addition to the following;

- 1) Permit vendor take back mortgages or promissory notes without the Bank's prior written consent.
- 2) Permit subsequent encumbrances of the Borrower's interest in the subject Property without the Bank's prior written consent.
- 3) Create, incur, assume or suffer to exist any lease or easement that would restrict use of the Property without the prior approval of the Bank and its Solicitor. Such approval is not to be unreasonably withheld.
- 4) Sell or transfer the Property (except for unit sales in the normal course of the Project) or amend the ownership of the Borrower without the prior written consent of the Bank.
- 5) No transfer of funds to other projects/companies is permitted.
- 6) No withdrawal of equity, dividends, shareholder advances, management fees or distribution of the Borrower's assets to shareholders, officers or other related parties are permitted while Facilities are outstanding.
- 7) Material deviation from approved plans is subject to the Bank's approval.

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will and will ensure that its subsidiaries and the Guarantor will observe the Standard Negative Covenants set out in Schedule "A".

#### 16. PERMITTED LIENS

The Bank will allow a <sup>OR THIRD</sup> second ranking subordinate collateral mortgage charge on the Property in favour of the mezzanine lender in an amount no greater than \$1,750,000 (plus interest and fees) ("Mezzanine Loan"). Source of the Mezzanine Loan to be satisfactory to the Bank. The second mortgage is to be supported by a standard inter-lender agreement, along with a postponement and standstill acceptable to the Bank.

The Bank will allow a <sup>SECOND OR</sup> third ranking subordinate collateral mortgage charge on the Property in favour of the Guarantee Company of North America in an amount no greater than \$3,000,000 to insure purchaser deposits utilized within the construction program (the "Deposit Insurance Facility"). This permitted collateral mortgage is to be supported by a standard priority agreement, along with a postponement and standstill agreement acceptable to the Bank.

**17. REPRESENTATIONS AND WARRANTIES**

Usual and customary for transactions of this nature together with such other representations and warranties as the Bank, acting reasonably, may consider to be necessary.

The Borrower represents to the Bank that the ownership structure of the Property is as set out in **Schedule "B"** attached hereto.

All representations and warranties shall be deemed to be continually repeated so long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect. The Borrower makes the Standard Representations and Warranties set out in **Schedule "A"**.

**18. EVENTS OF DEFAULT**

Usual and customary for transactions of this nature together with such other defaults and events of default as the Bank, acting reasonably, may consider to be necessary, including, without limitation, material adverse change and cross-default to material Project agreements. Notwithstanding the enumeration of such events of default, the Bank may demand repayment of the full amount of the Loan at any time and for any reason.

**19. CLOSING DATE**

In the event that after accepting this Loan Agreement, the disbursement of the 1<sup>st</sup> draw is not completed on or before **December 31, 2019**, this Loan Agreement will be considered null and void and the fees non-refundable. The Borrower will be responsible for all fees incurred with respect to the present transaction including, but not limited to, all costs of title examination, preparation and recording of documentation and compensation of the Bank's solicitors.

**20. INCREASED RISK**

Should a material change, deemed unfavourable by the Bank, occur in the (i) level of inherent risk in the financing, (ii) the financial situation of the Borrower or any guarantor, (iii) the value of the property given as security to the Bank by the Borrower or any guarantor or the value of their business, (iv) the rank of the security granted in favour of the Bank, or (v) the Borrower's capacity to meet its obligations to the Bank, pursuant to the law or the terms and conditions of any contract deemed material by the Bank, the Bank reserves the right to cancel any credit facility at its sole discretion and demand repayment of any amount already disbursed in this respect.

**21. RECORDS**

The Bank shall keep records evidencing the amounts payable under this financing, including but not limited to the principal repayment and interest payment conditions as well as applicable fees. Unless expressly indicated otherwise, the content of these records shall provide evidence as to the indebtedness to which they attest.

Converting advances or loans into advances or fixed-rate or floating-rate loans or bankers' acceptances (or vice versa), and any change in the name or number of a credit facility in the Bank's records, shall not result in the novation of credits or the Borrower's indebtedness, regardless of the transaction entry or processing by the Bank's computer systems.

**22. INDEMNITY**

The Borrower shall indemnify and hold harmless the Bank, its affiliates and agents and officers, directors, employees and representatives of each of them against any liability, obligations, loss, expense that may be suffered by or asserted against any of them as a result or by reason of the Bank entering into the transaction contemplated hereby and for any other reason contemplated in the model credit agreement provisions of the Canadian Bankers Association.

**23. ENVIRONMENTAL INDEMNITY**

The Borrower shall indemnify and hold harmless the Bank, each of its directors, officers, employees, affiliates and agents in respect of any costs, losses, damages, expenses, judgments, suits, claims, awards, fines, sanctions and liabilities whatsoever (including any costs or expenses for preparing any necessary environmental assessment report or other such reports) arising out of, or in respect of:

- a) any release, deposit, discharge, or disposal of any hazardous or toxic materials, contaminants, wastes or other substance in connection with the Property or business of the Borrower; and



- b) the remedial actions (if any) taken by the Bank, in respect of any such release, deposit, discharge or disposal.

This indemnity will survive the repayment or cancellation of the Facilities or any termination of the agreement to be based on this Agreement.

**24. ASSIGNMENT**

The Bank shall have the right to assign, sell or participate its rights and obligations in the Facilities or in any borrowing thereunder in whole or in part to one or more persons with the consent of the Borrower, such consent not to be unreasonably withheld, subject to a minimum assignment interest of \$5,000,000 in the Facilities.

**25. PRESUMPTION OF ACCURACY OF INFORMATION**

All documents and information provided to the Bank by the Borrower, whether or not they are signed by one of the Borrower's representatives, including any financial information, financial statements and reports or documents of any other nature, shall be deemed by the Bank to be accurate and validly issued by the Borrower, without further formality. This presumption applies to all written documents and documents provided electronically. It is the Borrower's responsibility and the latter undertakes to implement efficient information control systems in accordance with generally accepted accounting principles to maintain the accuracy of the information provided. Furthermore, any information system for managing accounting data and producing financial statements and financial information in general must be kept up-to-date by the Borrower to ensure the integrity of the information generated by said system.

**26. FINAL AGREEMENT, INTERPRETATION AND COUNTERPARTS**

Once accepted and signed by the Borrower, this Offer of Financing shall constitute the final agreement between the parties, with the exception of any subsequent written amendments agreed upon by the parties, and it shall supersede any prior agreements, verbal or written, with respect to the financing solution described herein.

This Offer is made without novation to the credits already granted to the Borrower, if applicable, and without derogation to the rights, hypothecs, security, mortgages, guarantees, suretyships, remedies, recourses and priority ranking arising from any previous offer of financing and the security documents, and the other writings related thereto, which shall continue to secure all the terms, conditions and obligations of such credits, whether covered or not by this Offer.

In the event of inconsistency between this Offer and any other prior agreement relating to the credits described herein already granted in favour of the Borrower, the terms and conditions of this Offer shall prevail.

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

**27. COLLECTION, USE AND DISCLOSURE OF INFORMATION**

The Borrower, the guarantor(s), if applicable, and their representative(s) hereby authorize the Bank to use the necessary information pertaining to them which the Bank has or may have for the purpose of granting credit and insurance products (where permitted by law) and further authorize the Bank to disclose such information to its affiliates and subsidiaries for this same purpose. Moreover, they hereby authorize the Bank to obtain personal information pertaining to them from any party likely to have such information (financial intermediaries, depositaries, credit-reporting agencies, financial institutions, creditors, employers, professionals, tax authorities, public entities, persons with whom they have business relations, and Bank affiliates and subsidiaries) in order to verify the accuracy of all information provided to the Bank from time to time and to ensure the solvency of the Borrower, the guarantor(s), if applicable, and their representative(s).

**28. REVIEW**

The terms and conditions of the credits granted by the Bank to the Borrower hereunder are subject to periodic review, at the Bank's discretion.

**29. REPORTING**

The Borrower acknowledges that the financial reporting obligations contained herein, including the submission of the financial statements to the Bank on a timely basis, constitute a material condition precedent to the Bank providing the credit facilities contemplated herein. Should the Borrower fail to fulfill such obligations within the delays set forth herein and such default is not remedied within 10 days from the date of the Bank's written notice to the Borrower setting forth the nature of the default, then the Borrower shall be deemed to have committed an "Event of Default" as hereinafter defined.

Notwithstanding the foregoing, and without prejudice to and under strict reserve thereof, of any rights and recourses the Bank may have in the circumstances, the Bank shall nevertheless have the right to engage, at the Borrower's expense, an independent auditor to examine the Borrower's books, records and physical assets, and perform such tests and analysis and such other verifications as the Bank may, in its sole discretion, determine necessary to assess its loan risk and realizable value of the Security.

**30. SCHEDULE "A" – STANDARD TERMS AND CONDITIONS**

Schedule "A" sets out the Standard Terms and Conditions ("Standard Terms and Conditions") which apply to these credit facilities. The Standard Terms and Conditions, including the defined terms set out therein, form part of this Agreement, unless this letter states specifically that one or more of the Standard Terms and Conditions do not apply or are modified.

We trust you will find these facilities helpful in meeting your ongoing financing requirements. We ask that if you wish to accept this offer of financing (which includes the Standard Terms and Conditions), please do so by signing and returning the attached duplicate copy of this letter to the undersigned. This offer will expire if not accepted in writing and received by the Bank on or before October 31, 2019.

Yours Truly,

National Bank of Canada

  
Aaron Unger  
DIRECTOR – COMMERCIAL BANKING – REAL ESTATE

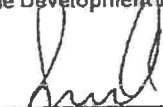
  
Greg Stephanson  
DIRECTOR – COMMERCIAL BANKING – REAL ESTATE

TO THE NATIONAL BANK OF CANADA

The undersigned hereby accepts the foregoing offer this 07 day of OCTOBER, 2019. The Borrower confirms that, except as may be set out above, the credit facility detailed herein shall not be used by or on behalf of any third party. The arrangements set out in this Agreement are hereby consented to and acknowledged.

**BORROWER**

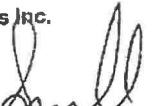
By The Bay Home Development Ltd.

By :   
Name Sundhir Singh Dhillon  
Title DIRECTOR

By : \_\_\_\_\_  
Name  
Title


**GUARANTORS**

Dimex Properties Inc.

By :   
Name Sundhir Singh Dhillon  
Title DIRECTOR

By : \_\_\_\_\_  
Name  
Title

Dimex Developments Inc.

By :   
Name Sundhir Singh Dhillon  
Title DIRECTOR

By : \_\_\_\_\_  
Name  
Title

\_\_\_\_\_  
Witness

  
\_\_\_\_\_  
Mr. Sundhir (Sunny) Dhillon

SCHEDULE A

STANDARD TERMS AND CONDITIONS

**1. INTEREST RATE DEFINITIONS**

Prime Rate means the rate of interest per annum (based on a 365 day year) established and reported by the Bank to the Bank of Canada from time to time as the reference rate of interest for determination of interest rates that the Bank charges to customers of varying degrees of creditworthiness in Canada for Canadian dollar loans made by it in Canada.

Banker's acceptance rate of the Bank means, on any given day, the rate determined in good faith by the Bank as being the annual rate of return for the bankers' acceptances of the Bank for a period of 30 days for the period chosen, as set by the Bank at the opening of financial markets, i.e., around 10 a.m. (Montreal time) that day (or on the previous business day if the day in question is not a business day).

The Stamping Fee rate per annum for CAD\$ B/As is based on a 365 day year and the Stamping Fee is calculated on the Face Amount of each B/A presented to the Bank for acceptance. The Stamping Fee rate per annum for USD\$ B/As is based on a 360 day year and the Stamping Fee is calculated on the Face Amount of each B/A presented to the Bank for acceptance.

Canada Dealer Offered Rate (CDOR) means, on any given day, the average of the annual rates of return for bankers' acceptances set by reporting participants over a period comparable to the applicable interest rate around 10 a.m. on this day (or on the previous business day, if the day in question is not a business day) on the Reuters CDOR page. However, if this rate is not available on a given day, the CDOR will, for this day, correspond to the Bank's rate of return for bankers' acceptances for the chosen period applicable around 10 a.m. on such day. If the annual rate calculated is negative (i.e., less than zero), the CDOR for the period in question will be deemed to be 0%.

LIBOR means the rate of interest per annum (based on a 360 day year) as determined by the Bank (rounded upwards, if necessary to the nearest whole multiple of 1/16th of 1%) at which the Bank may make available United States dollars which are obtained by the Bank in the Interbank Euro Currency Market, London, England at approximately 11:00 a.m. (Montreal time) on the second Business Day before the first day of, and in an amount similar to, and for the period similar to the interest period of, such advance.

USBR means the rate of interest per annum (based on a 365 day year) established by the Bank from time to time as the reference rate of interest for the determination of interest rates that the Bank charges to customers of varying degrees of creditworthiness for US dollar loans made by it in Canada.

Any interest rate based on a period less than a year expressed as an annual rate for the purposes of the Interest Act (Canada) is equivalent to such determined rate multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the period upon which it was based.

**2. INTEREST CALCULATION AND PAYMENT**

Interest on Prime Based Loans and USBR Loans is calculated daily (including February 29 in a leap year) and payable monthly in arrears based on the number of days the subject loan is outstanding unless otherwise provided in the Rate and Payment Terms Notice. Interest is charged on February 29 in a leap year. Unless otherwise stipulated herein or in any related document including, without limitation, all demand and term notes, interest and arrears will be calculated as follows:

- i. Interest on any amount due hereunder shall be calculated daily and not in advance on the basis of a 365-day year. For the purposes of the Interest Act (Canada) in the case of a leap year, the annual interest rate corresponding to the interest calculated on the basis of a 365-day year is equal to the interest rate thus calculated multiplied by 366 and divided by 365 except in the case of LIBOR advances where interest shall be calculated on the basis of 360-day year.

- ii. Interest shall be payable monthly on the 26th day of each month, with a minimum charge of \$10 per credit payable on demand. However, under no circumstances will the interest payable (or any amount considered interest under the law) exceed the maximum interest amount permitted by law. As applicable, the interest amount will be reduced so as not to exceed this maximum.

Any amount of principal, interest, commission, discount or of any other nature remaining unpaid at expiry shall bear interest at the rate applicable to the relevant credit. The interest on arrears shall be compounded monthly and payable on demand.

L/C and L/G fees are payable at the time set out in the Letter of Credit Indemnity Agreement applicable to the issued L/C or L/G.

Interest on Fixed Rate Term Loans is compounded monthly and payable monthly in arrears unless otherwise provided in the Rate and Payment Terms Notice.

Interest is payable both before and after maturity or demand, default and judgment.

Each payment under this Agreement shall be applied first in payment of costs and expenses, then interest and fees and the balance, if any, shall be applied in reduction of principal.

For loans not secured by real property, all overdue amounts of principal and interest and all amounts outstanding in excess of the Credit Limit shall bear interest from the date on which the same became due or from when the excess was incurred, as the case may be, until the date of payment or until the date the excess is repaid at 21% per annum, or such lower interest rate if the Bank agrees to a lower interest rate in writing. Nothing in this clause shall be deemed to authorize the Borrower to incur loans in excess of the Credit Limit.

The Borrower irrevocably authorizes the Bank to debit periodically or from time to time any bank account it may maintain at the Bank in order to pay all or part of the amounts it may owe to the Bank hereunder.

### 3. DRAWDOWN PROVISIONS

#### Prime Based and USBR Loans

There is no minimum amount of drawdown by way of Prime Based Loans and USBR Loans, except as stated in the section of the Agreement titled "Business Credit Services Agreement", if that section of the Agreement has not been deleted. The Borrower shall provide the Bank with 3 Business Days' notice of a requested Prime Based Loan or USBR Loan over \$1,000,000.

#### L/C and/or L/G

The Bank shall have the discretion to restrict the maturity date of L/Gs or L/Cs.

#### Cash Management

The Bank may, and the Borrower hereby authorizes the Bank to, drawdown under the Operating Loan to satisfy any obligations of the Borrower to the Bank in connection with any cash management service provided by the Bank to the Borrower. The Bank may drawdown under the Operating Loan even if the drawdown results in amounts outstanding in excess of the Credit Limit.

#### Notice

Prior to each drawdown and at least 10 days prior to each Rate Term Maturity, the Borrower will advise the Bank of its selection of drawdown options from those made available by the Bank. The Bank will, after each drawdown, other than drawdowns by way of BA, LIBOR Loan or under the Operating Loan, send a Rate and Payment Terms Notice to the Borrower.

#### Demand Credit Facilities

Notwithstanding any provision to the contrary, the Borrower agrees and acknowledges that (i) the credit

facilities payable on demand in this offer constitute demand credits and are therefore payable at any time at the Bank's sole discretion and (ii) the Bank may, at any time, before or after a request for reimbursement, terminate these credit facilities and cease making new advances, without delay or notice to the Borrower.

#### 4. PREPAYMENT

##### Floating Rate Term Loans

The Borrower may prepay the whole or any part of the principal outstanding under a Floating Rate Term Loan, at any time without the payment of prepayment charges.

#### 5. STANDARD DISBURSEMENT CONDITIONS

The obligation of the Bank to permit any drawdowns hereunder at any time is subject to the following conditions precedent:

- a) The Bank shall have received the following documents which shall be in form and substance satisfactory to the Bank:
  - i. A copy of a duly executed resolution of the Board of Directors of the Borrower empowering the Borrower to enter into this Agreement;
  - ii. A copy of any necessary government approvals authorizing the Borrower to enter into this Agreement;
  - iii. All of the Bank Security and supporting resolutions and solicitors' letter of opinion required hereunder;
  - iv. The Borrower's compliance certificate certifying compliance with all terms and conditions hereunder;
  - v. All operation of account documentation; and
  - vi. For drawdowns under the Facilities by way of L/C or L/G, the Bank's standard form Letter of Credit Indemnity Agreement
- b) The representations and warranties contained in this Agreement are correct.
- c) No event has occurred and is continuing which constitutes an Event of Default or would constitute an Event of Default, but for the requirement that notice be given or time elapsed or both.
- d) The Bank has received the arrangement fee payable hereunder (if any) and the Borrower has paid all legal and other expenses incurred by the Bank in connection with the Agreement or the Bank Security.

#### 6. STANDARD REPRESENTATIONS AND WARRANTIES

The Borrower hereby represents and warrants, which representations and warranties shall be deemed to be continually repeated so long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, that:

- a) The Borrower is a duly incorporated corporation, a limited partnership, partnership, or sole proprietorship, duly organized, validly existing and in good standing under the laws of the jurisdiction where the Branch/Centre is located and each other jurisdiction where the Borrower has property or assets or carries on business and the Borrower has adequate corporate power and authority to carry on its business, own property, borrow monies and enter into agreements therefore, execute and deliver the Agreement, the Bank Security, and documents required hereunder, and observe and perform the terms and provisions of this Agreement.
- b) There are no laws, statutes or regulations applicable to or binding upon the Borrower and no provisions in its charter documents or in any by-laws, resolutions, contracts, agreements, or arrangements which would be contravened, breached, violated as a result of the execution, delivery, performance, observance, of any terms of this Agreement
- c) No Event of Default has occurred nor has any event occurred which, with the passage of time or the

giving' of notice, would constitute an Event of Default under this Agreement or which would constitute a default under any other agreement. There are no actions, suits or proceedings, including appeals or applications for review, or any knowledge of pending actions, suits, or proceedings against the Borrower and its subsidiaries, before any court or administrative agency which would result in any material adverse change in the property, assets, financial condition, business or operations of the Borrower.

- d) All material authorizations, approvals, consents, licenses, exemptions, filings, registrations and other requirements of governmental, judicial and public bodies and authorities required to carry on its business have been or will be obtained or effected and are or will be in full force and effect.
- e) The financial statements and forecasts delivered to the Bank fairly present the present financial position of the Borrower, and have been prepared by the Borrower and its auditors in accordance with the International Financial Reporting Standards or GAAP for Private Enterprises.
- f) All of the remittances required to be made by the Borrower to the federal government and all provincial and municipal governments have been made, are currently up to date and there are no outstanding arrears. Without limiting the foregoing, all employee source deductions (including income taxes, Employment Insurance and Canada Pension Plan), sales taxes (both provincial and federal), corporate income taxes, corporate capital taxes, payroll taxes and Workers' Compensation dues are currently paid and up to date.

#### **7. STANDARD POSITIVE COVENANTS**

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will, and will ensure that its subsidiaries and the Guarantors will:

- a) Pay all amounts of principal, interest and fees on the dates, times and place specified herein, under the Rate and Payment Terms Notice, and under any other agreement between the Bank and the Borrower.
- b) Advise the Bank of any change in the amount and the terms of any credit arrangement made with other lenders or any action taken by another lender to recover amounts outstanding with such other lender.
- c) Advise promptly after the happening of any event which will result in a material adverse change in the financial condition, business, operations, or prospects of the Borrower or the occurrence of any Event of Default or default under this Agreement or under any other agreement for borrowed money.
- d) Do all things necessary to maintain in good standing its corporate existence and preserve and keep all material agreements, rights, franchises, licenses, operations, contracts or other arrangements in full force and effect.
- e) Take all necessary actions to ensure that the Bank Security and its obligations hereunder will rank ahead of all other indebtedness of and all other security granted by the Borrower.
- f) Pay all taxes, assessments and government charges unless such taxes, assessments, or charges are being contested in good faith and appropriate reserves shall be made with funds set aside in a separate trust fund.
- g) Provide the Bank with information and financial data as it may request from time to time.
- h) Maintain property, plant and equipment in good repair and working condition.
- i) Inform the Bank of any actual or probable litigation and furnish the Bank with copies of details of any litigation or other proceedings, which might affect the financial condition, business, operations, or prospects of the Borrower.
- j) Provide such additional security and documentation as may be required from time to time by the Bank or its solicitors.
- k) Continue to carry on the business currently being carried on by the Borrower its subsidiaries and the Guarantors at the date hereof.
- l) Maintain adequate insurance on all of its assets, undertakings, and business risks.
- m) Permit the Bank or its authorized representatives full and reasonable access to its premises, business, financial and computer records and allow the duplication or extraction of pertinent

- information therefrom and  
 n) Comply with all applicable laws.

#### 8. STANDARD NEGATIVE COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will not and will ensure that its subsidiaries and the Guarantors will not, without the prior written consent of the Bank:

- a) Create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to any of its assets or undertakings, now owned or hereafter acquired, except for those Permitted Liens, if any, set out in the Letter.
- b) Create, incur, assume or suffer to exist any other indebtedness for borrowed money (except for indebtedness resulting from Permitted Liens, if any) or guarantee or act as surety or agree to indemnify the debts of any other Person.
- c) Merge or consolidate with any other Person, or acquire all or substantially all of the shares, assets or business of any other Person.
- d) Sell, lease, assign, transfer, convey or otherwise dispose of any of its now owned or hereafter acquired assets relating to the Project (including, without limitation, shares of stock and indebtedness of subsidiaries, receivables and leasehold interests), except for inventory disposed of in the ordinary course of business.
- e) Terminate or enter into a surrender of any lease of the Property.
- f) Cease to carry on the business currently being carried on by the Borrower, its subsidiaries, and the Guarantors at the date hereof.
- g) Permit any change of ownership or change in the capital structure of the Borrower.

#### 9. ENVIRONMENTAL

The Borrower represents and warrants (which representation and warranty shall continue throughout the term of this Agreement) that the business of the Borrower, its subsidiaries and the Guarantors is being operated in compliance with applicable laws and regulations respecting the discharge, omission, spill or disposal of any hazardous materials and that any and all enforcement actions in respect thereto have been clearly conveyed to the Bank.

The Borrower shall, at the request of the Bank from time to time, and at the Borrower's expense, obtain and provide to the Bank an environmental audit or inspection report of the Property from auditors or inspectors acceptable to the Bank.

The Borrower hereby indemnifies the Bank, its officers, directors, employees, agents and shareholders, and agrees to hold each of them harmless from all loss, claims, damages and expenses (including legal and audit expenses) which may be suffered or incurred in connection with the indebtedness under this Agreement or in connection with the Bank Security.

#### 10. STANDARD EVENTS OF DEFAULT

The Bank may accelerate the payment of principal and interest under any committed credit facility hereunder and cancel any undrawn portion of any committed credit facility hereunder, at any time after the occurrence of any one of the following Events of Default:

- a) Non-payment of principal outstanding under this Agreement when due or non-payment of interest or fees outstanding under this Agreement within 3 Business Days of when due.
- b) If any representation, warranty or statement made hereunder or made in connection with the execution and delivery of this Agreement or the Bank Security is false or misleading at any time.



- c) If any representation or warranty made or information provided by the Guarantors to the Bank from time to time, including without limitation, under or in connection with the Personal Financial Statement and Privacy Agreement provided by the Guarantors, is false or misleading at any time.
- d) If there is a breach or non-performance or non-observance of any term or condition of this Agreement or the Bank Security and, if such default is capable of being remedied, the default continues unremedied for 5 Business Days after the occurrence.
- e) If the Borrower, any one of its subsidiaries, or, if any Guarantor makes a general assignment for the benefit of creditors, files or presents a petition, makes a proposal or commits any act of bankruptcy, or if any action is taken for the winding up, liquidation or the appointment of a liquidator, trustee in bankruptcy, custodian, curator, sequestrator, receiver or any other officer with similar powers or if a judgment or order shall be entered by any court approving a petition for reorganization, arrangement or composition of or in respect of the Borrower, any one of its subsidiaries, or any Guarantors or if the Borrower, any one of its subsidiaries, or any Guarantor is insolvent or declared bankrupt.
- f) If there exists a voluntary or involuntary suspension of business of the Borrower, any of its subsidiaries, or any Guarantor.
- g) If action is taken by an encumbrancer against the Borrower, any of its subsidiaries, or any Guarantor to take possession of property or enforce proceedings against any assets.
- h) If any final judgment for the payment of monies is made against the Borrower, any of its subsidiaries, or any Guarantor and it is not discharged within 30 days from the imposition of such judgment.
- i) If there exists an event, the effect of which with lapse of time or the giving of notice, will constitute an event of default or a default under any other agreement for borrowed money in excess of the Cross Default Threshold entered into by the Borrower, any of its subsidiaries, or any Guarantor.
- j) If the Borrower, any of its subsidiaries, or any Guarantor defaults under any other present or future agreement with the Bank or any of the Bank's subsidiaries, including without limitation, any other loan agreement, forward foreign exchange transactions, interest rate and currency and/or commodity swaps.
- k) If the Bank Security is not enforceable or if any party to the Bank Security shall dispute or deny any liability or any of its obligations under the Bank Security, or if any Guarantor terminates a guarantee in respect of future advances.
- l) If, in the Bank's determination, a material adverse change occurs in the financial condition, business operations or prospects of the Borrower, any of the Borrower's subsidiaries, or any Guarantor.

#### 11. ACCELERATION

If the Bank accelerates the payment of principal and interest hereunder, the Borrower shall immediately pay to the Bank all amounts outstanding hereunder, including without limitation, the amount of unmatured B/As and LIBOR Loans and the amount of all drawn and undrawn L/Gs and L/Cs. All cost to the Bank of unwinding LIBOR Loans and all loss suffered by the Bank in re-employing amounts repaid will be paid by the Borrower.

The Bank may demand the payment of principal and interest under the Operating Loan (and any other uncommitted facility) hereunder and cancel any undrawn portion of the Operating Loan (and any other uncommitted facility) hereunder, at any time whether or not an Event of Default has occurred.

#### 12. CURRENCY INDEMNITY

USD\$ loans must be repaid with USD\$ and CAD\$ loans must be repaid with CAD\$ and the Borrower shall indemnify the Bank for any loss suffered by the Bank if USD\$ loans are repaid with CAD\$ or vice versa, whether such payment is made pursuant to an order of a court or otherwise.

#### 13. TAXATION ON PAYMENTS

All payments made by the Borrower to the Bank will be made free and clear of all present and future taxes

(excluding the Bank's income taxes), withholdings or deductions of whatever nature. If these taxes, withholdings or deductions are required by applicable law and are made, the Borrower, shall, as a separate and independent obligation, pay to the Bank all additional amounts as shall fully indemnify the Bank from any such taxes, withholdings or deductions.

**14. REPRESENTATION**

No representation or warranty or other statement made by the Bank concerning any of the credit facilities shall be binding on the Bank unless made by it in writing as a specific amendment to this Agreement.

**15. CHANGING THE AGREEMENT**

- a) The Bank may, from time to time, unilaterally change the provisions of this Agreement where (i) the provisions of the Agreement relate to the Operating Loan (and any other uncommitted facility) or (ii) such change is for the benefit of the Borrower, or made at the Borrower's request, including without limitation, decreases to fees or interest payable hereunder or (iii) where such change makes compliance with this Agreement less onerous to the Borrower, including without limitation, release of security. These changes can be made by the Bank providing written notice to the Borrower of such changes in the form of a specific waiver or a document constituting an amending agreement. The Borrower is not required to execute such waiver or amending agreement, unless the Bank requests the Borrower to sign such waiver or amending agreement. A change in the Prime Rate and USBR is not an amendment to the terms of this Agreement that requires notification to be provided to the Borrower.
- b) Changes to the Agreement, other than as described in a) above, including changes to covenants and fees payable by the Borrower, are required to be agreed to by the Bank and the Borrower in writing, by the Bank and the Borrower each signing an amending agreement.
- c) The Bank is not required to notify a Guarantor of any change in the Agreement, including any increase in the Credit Limit.

**16. ADDED COST**

If the introduction of or any change in any present or future law, regulation, treaty, official or unofficial directive, or regulatory requirement, (whether or not having the force of law) or in the interpretation or application thereof, relates to:

- i. the imposition or exemption of taxation of payments due to the Bank or on reserves or deemed reserves in respect of the undrawn portion of any Facility or loan made available hereunder; or,
- ii. any reserve, special deposit, regulatory or similar requirement against assets, deposits, or loans or other acquisition of funds for loans by the Bank; or,
- iii. the amount of capital required or expected to be maintained by the Bank as a result of the existence of the advances or the commitment made hereunder;

and the result of such occurrence is, in the sole determination of the Bank, to increase the cost of the Bank or to reduce the income received or receivable by the Bank hereunder, the Borrower shall, on demand by the Bank, pay to the Bank that amount which the Bank estimates will compensate it for such additional cost or reduction in income and the Bank's estimate shall be conclusive, absent manifest error.

**17. EXPENSES**

The Borrower shall pay, within 5 Business Days following notification, all fees and expenses (including but not limited to all legal fees) incurred by the Bank in connection with the preparation, registration and ongoing administration of this Agreement and the Bank Security and with the enforcement of the Bank's rights and remedies under this Agreement and the Bank Security whether or not any amounts are advanced under the Agreement. These fees and expenses shall include, but not be limited, to all outside counsel fees and expenses and all in-house legal fees and expenses, if in-house counsel are used, and all

outside professional advisory fees and expenses. The Borrower shall pay interest on unpaid amounts due pursuant to this paragraph at the All-In Rate plus 2% per annum.

Without limiting the generality of Section 24, the Bank or its agent, is authorized to debit any of the Borrower's accounts with the amount of the fees and expenses owed by the Borrower hereunder, including the registration fee in connection with the Bank Security, even if that debiting creates an overdraft in any such account. If there are insufficient funds in the Borrower's accounts to reimburse the Bank or its agent for payment of the fees and expenses owed by the Borrower hereunder, the amount debited to the Borrower's accounts shall be deemed to be a Prime Based Loan under the Operating Loan.

The Borrower will, if requested by the Bank, sign a Pre-Authorized Payment Authorization in a format acceptable to the Bank to permit the Bank's agent to debit the Borrower's accounts as contemplated in this Section.

18. **NON WAIVER**

Any failure by the Bank to object to or take action with respect to a breach of this Agreement or any Bank Security or upon the occurrence of an Event of Default shall not constitute a waiver of the Bank's right to take action at a later date on that breach. No course of conduct by the Bank will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement and the Bank Security or the Bank's rights thereunder.

18. **EVIDENCE OF INDEBTEDNESS**

The Bank shall record on its records the amount of all loans made hereunder, payments made in respect thereto, and all other amounts becoming due to the Bank under this Agreement. The Bank's records constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement.

The Borrower will sign the Bank's standard form Letter of Credit Indemnity Agreement for all L/Cs and L/Gs issued by the Bank.

With respect to chattel mortgages taken as Bank Security, this Agreement is the Promissory Note referred to in same chattel mortgage, and the indebtedness incurred hereunder is the true indebtedness secured by the chattel mortgage.

20. **ENTIRE AGREEMENTS**

This Agreement replaces any previous letter agreements dealing specifically with terms and conditions of the credit facilities described in the Letter. Agreements relating to other credit facilities made available by the Bank continue to apply for those other credit facilities. This Agreement, and if applicable, the Letter of Credit Indemnity Agreement, are the entire agreements relating to the Facilities described in this Agreement.

21. **ASSIGNMENT**

The Bank may assign or grant participation in all or part of this Agreement or in any loan made hereunder without notice to and without the Borrower's consent.

The Borrower may not assign or transfer all or any part of its rights or obligations under this Agreement.

22. **RELEASE OF INFORMATION**

The Borrower hereby irrevocably authorizes and directs the Borrower's accountant, (the "Accountant") to deliver all financial statements and other financial information concerning the Borrower to the Bank and agrees that the Bank and the Accountant may communicate directly with each other.

**23. FX CLOSE OUT**

The Borrower hereby acknowledges and agrees that in the event any of the following occur: (i) Default by the Borrower under any forward foreign exchange contract ("FX Contract"); (ii) Default by the Borrower in payment of monies owing by it to anyone, including the Bank; (iii) Default in the performance of any other obligation of the Borrower under any agreement to which it is subject; or (iv) the Borrower is adjudged to be or voluntarily becomes bankrupt or insolvent or admits in writing to its inability to pay its debts as they come due or has a receiver appointed over its assets, the Bank shall be entitled without advance notice to the Borrower to close out and terminate all of the outstanding FX Contracts entered into hereunder, using normal commercial practices employed by the Bank, to determine the gain or loss for each terminated FX contract. The Bank shall then be entitled to calculate a net termination value for all of the terminated FX Contracts which shall be the net sum of all the losses and gains arising from the termination of the FX Contracts which net sum shall be the "Close Out Value" of the terminated FX Contracts. The Borrower acknowledges that it shall be required to forthwith pay any positive Close Out Value owing to the Bank and the Bank shall be required to pay any negative Close Out Value owing to the Borrower, subject to any rights of set-off to which the Bank is entitled or subject.

**24. SET-OFF**

In addition to and not in limitation of any rights now or hereafter granted under applicable law, the Bank may at any time and from time to time without notice to the Borrower or any other Person, any notice being expressly waived by the Borrower, set-off and compensate and apply any and all deposits, general or special, time or demand, provisional or final, matured or unmatured, in any currency, and any other indebtedness or amount payable by the Bank (irrespective of the place of payment or booking office of the obligation), to or for the credit of or for the Borrower's account, including without limitation, any amount owed by the Bank to the Borrower under any FX Contract or other treasury or derivative product, against and on account of the indebtedness and liability under this Agreement notwithstanding that any of them are contingent or unmatured or in a different currency than the indebtedness and liability under this Agreement.

When applying a deposit or other obligation in a different currency than the indebtedness and liability under this Agreement to the indebtedness and liability under this Agreement, the Bank will convert the deposit or other obligation to the currency of the indebtedness and liability under this Agreement using the Bank's noon spot rate of exchange for the conversion of such currency.

If the credit offered is revolving in nature the following is to apply:

Without limiting the foregoing, the Borrower authorizes the Bank to establish every day, or at any other interval the Bank may determine, the position or net position, as applicable, of the Borrower's deposit account(s) with the Bank (the "Deposit Account"), and it is understood that:

- a) If the position or net position of the Deposit Account represents a credit balance, the Bank may apply all or part of this credit to the repayment of the advances under any revolving credit made available to the Borrower and shall debit the Deposit Account for the amount paid, rounded to the amount of the minimum repayment applicable to the relevant credit; and
- b) If the position or net position of the Deposit Account represents a debit balance, the Bank shall grant an advance under any revolving credit made available to the Borrower to create a credit balance or a net credit balance in the Deposit Account and increase the advances for such revolving credit by an equivalent amount without however exceeding the authorized credit amount; the advance shall be rounded to the amount of the minimum disbursement for the relevant credit, as applicable.

**25. LIMITATION ACT**

The Borrower and the Bank hereby agree that the limitation period for commencement of any court action or proceeding against the Borrower with respect to demand loans shall be six (6) years rather than the period of time that is set out in the applicable limitation legislation.

26. MISCELLANEOUS

- i. The Borrower has received a signed copy of this Agreement;
- ii. If more than one Person, firm or corporation signs this Agreement as the Borrower, each party is jointly and severally liable hereunder, and the Bank may require payment of all amounts payable under this Agreement from any one of them, or a portion from each, but the Bank is released from any of its obligations by performing that obligation to any one of them. Each Borrower hereby acknowledges that each Borrower is an agent of each other Borrower and payment by any Borrower hereunder shall be deemed to be payment by the Borrower making the payment and by each other Borrower. Each payment, including interest payments, made will constitute an acknowledgement of the indebtedness and liability hereunder by each Borrower;
- iii. Accounting terms will (to the extent not defined in this Agreement) be interpreted in accordance with accounting principles established from time to time by the Canadian Institute of Chartered Accountants (or any successor) consistently applied, and all financial statements and information provided to the Bank will be prepared in accordance with those principles;
- iv. This Agreement is governed by the law of the Province or Territory where the Property is located.
- v. Unless stated otherwise, all amounts referred to herein are in Canadian dollars.
- vi. Should the indebtedness owing to the Bank under a credit facility hereof exceed the authorized credit amount hereunder and the Bank has not formally authorized this situation, the Borrower shall be required to repay the Bank, without further notice or demand, an amount equal to such excess amount. If, however, the Bank were to tolerate an amount in excess of the authorized credit facility, the Borrower hereby undertakes to pay the overlimit fees required at such time by the Bank, failing which the Borrower shall be required to repay such excess amount to the Bank.
- vii. This offer does not constitute an indivisible whole. Any decision by a court rendering any of the provisions hereof null or unenforceable shall in no way affect, invalidate or render unenforceable the other provisions hereof.

27. DEFINITIONS

Capitalized Terms used in this Agreement shall have the following meanings:

"*All-In Rate*" means the greater of the Interest Rate that the Borrower pays for Prime Based Loans (which for greater certainty includes the percent per annum added to the Prime Rate) or the highest fixed rate paid for Fixed Rate Term Loans.

"*Agreement*" means the agreement between the Bank and the Borrower set out in the Letter and this Schedule "A" - Standard Terms and Conditions.

"*Business Day*" means any day (other than a Saturday or Sunday) that the Branch/Centre is open for business.

"*Branch/Centre*" means The National Bank of Canada branch or banking centre noted on the first page of the Letter, or such other branch or centre as may from time to time be designated by the Bank.

"*Contractual Term Maturity Date*" means the last day of the Contractual Term period. If the Letter does not set out a specific Contractual Term period but rather refers to a period of time up to which the Contractual Term Maturity Date can occur, the Bank and the Borrower must agree on a Contractual Term Maturity Date before first drawdown, which Contractual Term Maturity Date will be set out in the Rate and Payments Terms Notice.

"*Cross Default Threshold*" means the cross default threshold set out in the Letter. If no such cross default threshold is set out in the Letter it will be deemed to be zero.

"*Discount*" means, in the context of a bankers' acceptance, the difference, as determined by the Bank in accordance with its normal practices, between the face value of the bankers' acceptance and the price at

which a bankers' acceptance with the same expiry date and the same face value accepted by the Bank could normally be sold at about 10 a.m. on the date the bankers' acceptance is issued.

"Discounted proceeds" means, in the context of issuing a bankers' acceptance, the proceeds that the Bank must disburse, the amount of which corresponds to the face value of the bankers' acceptance less the Discount (as defined).

"Face Amount" means, in respect of:

- i. a B/A, the amount payable to the holder thereof on its maturity;
- ii. A L/C or L/G, the maximum amount payable to the beneficiary specified therein or any other Person to whom payments may be required to be made pursuant to such L/C or L/G.

"Fixed Rate Term Loan" means any drawdown in Canadian dollars under a Credit Facility at an interest rate which is fixed for a Rate Term at such rate as is determined by the Bank as its sole discretion.

"Floating Rate" means the interest rate applicable to floating-rate advances in Canadian or U.S. dollars, as applicable, made hereunder.

"Inventory Value" means, at any time of determination, the total value (based on the lower of cost or market) of the Borrower's inventories that are subject to the Bank Security (other than (i) those inventories supplied by trade creditors who at that time have not been fully paid and would have a right to repossess all or part of such inventories if the Borrower were then either bankrupt or in receivership, (ii) those inventories comprising work in process and (iii) those inventories that the Bank may from time to time designate in its sole discretion) minus the total amount of any claims, liens or encumbrances on those inventories having or purporting to have priority over the Bank.

"Letter" means the letter from the Bank to the Borrower to which this Schedule "A" - Standard Terms and Conditions is attached.

"Letter of Credit" or "L/C" means a documentary letter of credit or similar instrument in form and substance satisfactory to the Bank.

"Letter of Guarantee" or "L/G" means a stand-by letter of guarantee or similar instrument in form and substance satisfactory to the Bank.

"Person" includes any individual, sole proprietorship, corporation, partnership, joint venture, trust, unincorporated association, association, institution, entity, party, or government (whether national, federal, provincial, state, municipal, city, county, or otherwise and including any instrumentality, division, agency, body, or department thereof).

"Purchase Money Security Interest" means a security interest on equipment which is granted to a lender or to the seller of such equipment in order to secure the purchase price of such equipment or a loan to acquire such equipment, provided that the amount secured by the security interest does not exceed the cost of the equipment, the Borrower provides written notice to the Bank prior to the creation of the security interest, and the creditor under the security interest has, if requested by the Bank, entered into an inter-creditor agreement with the Bank, in a format acceptable to the Bank.

"Rate Offered" means the annual interest rate determined from time to time by the Bank, for the term chosen by the Borrower, as being the fixed interest rate applicable to its commercial fixed-rate term loans granted by the Bank, in Canada, for the same term.

"Rate Term" means that period of time as selected by the Borrower from the options offered to it by the Bank, during which a Fixed Rate Term Loan will bear a particular interest rate. If no Rate Term is selected, the Borrower will be deemed to have selected a Rate Term of 1 year.

*"Rate Term Maturity"* means the last day of a Rate Term which day may never exceed the Contractual Term Maturity Date.

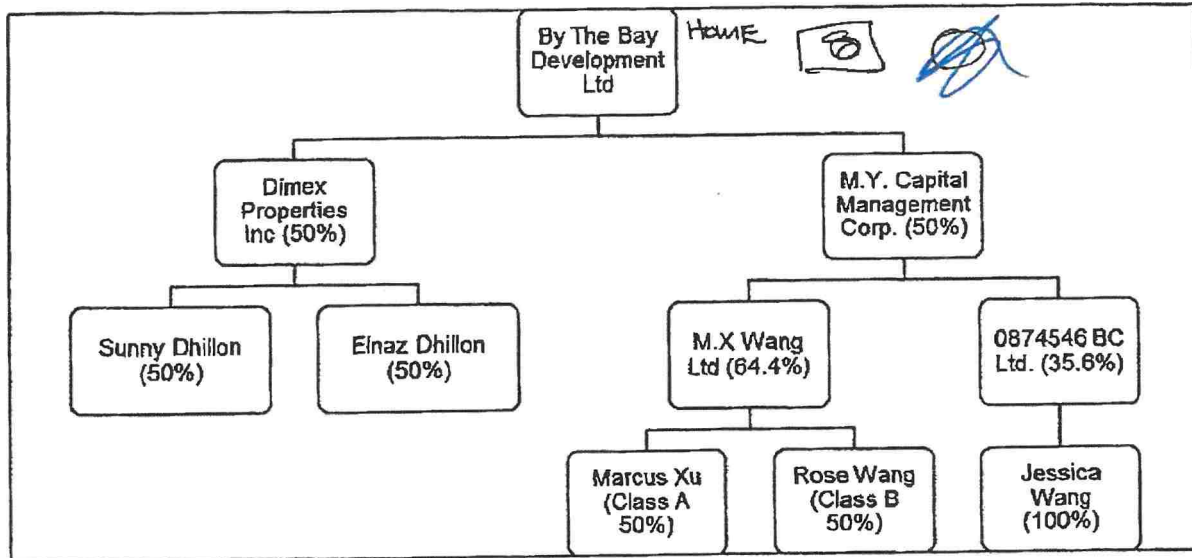
*"Rate and Payment Terms Notice"* means the notice sent by the Bank setting out the interest rate and payment terms for a particular drawdown.

*"Receivable Value"* means, at any time of determination, the total value of those of the Borrower's trade accounts receivable that are subject to the Bank Security other than (i) those accounts then outstanding for 90 days, (ii) those accounts owing by Persons, firms or corporations affiliated with the Borrower, (iii) those accounts that the Bank may from time to time designate in its sole discretion, (iv) those accounts subject to any claim, liens, or encumbrance having or purporting to have priority over the Bank, (v) those accounts which are subject to a claim of set-off by the obligor under such account, MINUS the total amount of all claims, liens, or encumbrances on those receivables having or purporting to have priority over the Bank.

*"Receivables/Inventory Summary"* means a summary of the Borrower's trade account receivables and inventories, in form as the Bank may require and certified by a senior officer/representative of the Borrower.

*"USD\$ Equivalent"* means, on any date, the equivalent amount in United States Dollars after giving effect to a conversion of a specified amount of Canadian Dollars to United States Dollars at the Bank's noon spot rate of exchange for Canadian Dollars to United States Dollars established by the Bank for the day in question.

SCHEDULE "B"  
BORROWER AND PROPERTY OWNERSHIP STRUCTURE





This is **Exhibit "B"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



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A Commissioner for the taking of Affidavits for  
British Columbia

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National Bank of Canada  
Real Estate Group  
311 6th Avenue SW, 6th Floor  
Calgary, Alberta T2P 3H2

March 9, 2022

**By The Bay Home Development Ltd.**  
**c/o Dimex Group**  
610 – 1155 West Pender Street  
Vancouver, BC V6E 2P4

Mr. Sundhir (Sunny) Dhillon,

We refer to the loan agreement dated October 2, 2019 and the Interest Rate Acknowledgment Letter dated March 24, 2020 (collectively, the "**Loan Agreement**") from the Bank to the Borrower, and accepted by the Borrower and the Guarantors. Any terms not defined in this amending letter agreement shall have the meaning given to those terms in the Loan Agreement.

Based on the information, representations and documents you have provided to the Bank, and at the request of the Borrower, the Bank has agreed, subject to the terms hereof, to amend the terms and conditions of the Loan Agreement as set out herein.

The Borrower hereby covenants and agrees as follows:

#### **TYPE OF CREDIT FACILITY AND AMOUNT**

Section 3, "Type of Credit Facility and Amount" shall amend subsection i) to state the Facility #1 amount to be \$15,500,000.

#### **INTEREST RATE**

Subsection i)) of Section 5, "Interest Rate" is to be deleted in its entirety and replaced with the following:

"i) Facility #1 and Facility #2 – Prime Rate + 1.50% per annum for Tranche 1, reducing to Prime Rate + 1.25% for Tranche 2, Tranche 3 and Tranche 4.

#### **APPLICATION FEE**

Section 7, "Application Fee" shall be deleted in its entirety and replaced with the following:

##### **"7. APPLICATION FEE**

In consideration for arranging the Facility, the Borrower has paid to the Bank an application fee equal to \$122,825. In consideration of the amendments considered herein, the Borrower will pay to the Bank a restructuring fee equal to \$52,300 (the "**Restructuring Fee**")."

#### **DRAWDOWN**

Subsection 4) and 5) of Section 9, "Drawdown" is to be renumbered to subsection 5) and 6) respectively.

Subsection 1), 2) and 3) of Section 10, "Drawdown" are to be deleted in their entirety and replaced with the following:

- "1) The Borrower will be allowed an initial drawdown up to \$6,100,000 ("**Tranche 1**") against the value of land and work in place. Funds are to be used to repay existing debt and support up front soft costs associated with the Project. Of the \$600,000 increased advance over the current \$5,500,000 outstanding, a holdback of \$150,000 will be retained by the bank as an interest reserve to cover interest and fees (Bank and legal).
- 2) Upon achievement of qualifying presales totaling \$5,325,000 per requirements of Conditions Precedent, the Borrower will be allowed to drawdown up to \$13,500,000 ("**Tranche 2**") on a cost to complete basis.
- a. Aggregate draws at step-off are limited to the lesser of:
    - i) Certified costs to date less;
      1. Project equity of \$2,743,917; and
      2. Mezzanine Loan of \$3,495,313; and
      3. Deposit Protection Insurance ("**DPI**") of \$1,065,000.
    - ii) Or, the credit limit of \$13,500,000.
- 3) Upon achievement of qualifying presales totaling \$8,000,000 per requirements of Conditions Precedent, the Borrower will be allowed to drawdown up to \$14,500,000 ("**Tranche 3**") on a cost to complete basis.
- a. Aggregate draws at step-off are limited to the lesser of:
    - i) Certified costs to date less;
      1. Project equity of \$2,743,917; and
      2. Mezzanine Loan of \$1,960,313; and
      3. Deposit Protection Insurance ("**DPI**") of \$1,600,000.
    - ii) Or, the credit limit of \$14,500,000.
- 4) Upon achievement of qualifying presales totaling \$10,500,000 per requirements of Conditions Precedent, the Borrower will be allowed to drawdown up to \$15,500,000 ("**Tranche 4**") on a cost to complete basis.
- a. Aggregate draws at step-off are limited to the lesser of:
    - i) Certified costs to date less;
      1. Project equity of \$2,743,917; and
      2. Mezzanine Loan of \$460,313; and
      3. Deposit Protection Insurance ("**DPI**") of \$2,100,000.
    - ii) Or, the credit limit of \$15,500,000.

Any DPI used beyond the amounts indicated in each Tranche above will result in a dollar for dollar reduction to the Facility #1 availability within each Tranche."

### REPAYMENT

Within Section 10, "Repayment", the second paragraph shall be deleted in its entirety and replaced with the following:

"In any event, Facility #1 is to be fully repaid by March 31, 2024."

### CONDITIONS PRECEDENT

Subsection 13) of Section 13, "Conditions Precedent" shall be amended to delete the reference to the cost budget of "\$18,089,950" and replace with "\$20,804,230".

Subsection 14) of Section 13, "Conditions Precedent" shall be amended to delete the reference to the appraised amount of "\$22,000,000" and replace with "\$25,129,500".

Subsection 18) of Section 13, "Conditions Precedent" shall be deleted in its entirety and replaced with the following:

"18) Confirmation that the Project has achieved a presale level of a minimum of \$5,325,000 (net of taxes), executed to non-arms length purchasers, with minimum scheduled deposits of 20% for home buyers and investors and must be within 95% of the appraised value of the individual units sold. Scheduled deposits are defined as 10% received at the time of signing and the remaining deposits to be received as per the Real Estate

Development Marketing Act and in accordance with the applicable purchase and sale agreements. Purchase and sale agreements to be reviewed ensuring contracts are firm and binding.

In addition to the 3<sup>rd</sup> party presales required above, the Bank will consider up to 60% of the \$5,950,000 arms length sale of the penthouse unit and up to 65% of the appraised value of the 3 rental units as additional presale coverage to the Facility #1. In the event the appraised value of the 3 rental units is less than \$2,900,000, any shortfall in the anticipated 65% coverage from these units is to be replaced by additional 3<sup>rd</sup> party sales and/or additional equity from the Borrower.

Subsection 20) of Section 13, "Conditions Precedent" shall be amended to delete the reference to the purchase price amount of "\$5,000,000" and replace with "\$5,950,000".

All items after Subsection 23) of Section 14, "Conditions Precedent" shall be deleted in their entirety and replaced with the following;

"The following Conditions Precedent shall be provided prior to the disbursement of Facility #1 – Tranche 3 to the Bank's and its legal counsel's satisfaction:

- 24) Confirmation that the Project has achieved a presale level of a minimum of \$8,000,000 (net of taxes), executed to arms length purchasers, with minimum scheduled deposits of 20% for home buyers and investors and must be within 95% of the appraised value of the individual units sold. Scheduled deposits are defined as 10% received at the time of signing and the remaining deposits to be received as per the Real Estate Development Marketing Act and in accordance with the applicable purchase and sale agreements. Purchase and sale agreements to be reviewed ensuring contracts are firm and binding.

In addition to the 3<sup>rd</sup> party presales required above, the Bank will consider up to 60% of the \$5,950,000 non-arms length sale of the penthouse unit and up to 65% of the appraised value of the 3 rental units as additional presale coverage to the Facility #1. In the event the appraised value of the 3 rental units is less than \$2,900,000, any shortfall in the anticipated 65% coverage from these units is to be replaced by additional arms length sales and/or additional equity from the Borrower.

The following Conditions Precedent shall be provided prior to the disbursement of Facility #1 – Tranche 4 to the Bank's and its legal counsel's satisfaction:

- 25) Confirmation that the Project has achieved a presale level of a minimum of \$10,500,000 (net of taxes), executed to arms length purchasers, with minimum scheduled deposits of 20% for home buyers and investors and must be within 95% of the appraised value of the individual units sold. Scheduled deposits are defined as 10% received at the time of signing and the remaining deposits to be received as per the Real Estate Development Marketing Act and in accordance with the applicable purchase and sale agreements. Purchase and sale agreements to be reviewed ensuring contracts are firm and binding.

In addition to the 3<sup>rd</sup> party presales required above, the Bank will consider up to 60% of the \$5,950,000 non-arms length sale of the penthouse unit and up to 65% of the appraised value of the 3 rental units as additional presale coverage to the Facility #1. In the event the appraised value of the 3 rental units is less than \$2,900,000, any shortfall in the anticipated 65% coverage from these units is to be replaced by additional arms length sales and/or additional equity from the Borrower.

**NOTE:** All expert reports are to be addressed to the Bank or be accompanied by a reliance transmittal letter, satisfactory to the Bank, authorizing the Bank to use the information for the purposes of providing financing and confirming that the final conclusions of said reports remain unchanged.

The obligation of the Bank to permit any drawdown hereunder is subject to the Standard Disbursement Conditions contained in Schedule "A".

**OMNIBUS AMENDMENT**

Each of the undersigned hereby acknowledges and agrees that all prior and existing references to the loan amount or credit facilities being the amount of "\$14,450,000" in the Loan Agreement or the Bank Security shall be hereby deleted and replaced with "\$15,500,000".

**CONDITIONS PRECEDENT**

The effectiveness of this amending letter agreement is subject to the fulfilment of each of the following conditions:

- (a) The Bank having received an executed copy of this amending letter agreement;
- (b) The Borrower having paid the \$52,300 restructuring fee, and all fees including reasonable legal fees, taxes and disbursements in connection with the amending letter agreement;
- (c) Any representations and warranties set out in the Loan Agreement and the Bank Security shall be true and correct in all material respects on and as of the effective date of this amending letter agreement;
- (d) Any amendments required to the Bank Security are to be completed to the satisfaction of the Bank and its solicitor; and
- (e) Such other documents as the Bank may reasonably require.

**CONFIRMATION AND REAFFIRMATION**

Notwithstanding the foregoing, all Bank Security granted under the Loan Agreement shall remain in full force and effect, and are hereby affirmed by the acceptance of the Borrower and the Guarantors of this amending letter agreement. Each of the terms and conditions of the Loan Agreement, as amended by this amending letter agreement, shall remain in full force and effect, and are hereby affirmed by the undersigned.

We ask that if you wish to accept the terms and conditions of this amending letter agreement, please do so by signing and returning the attached duplicate copy of this letter to the undersigned. This offer will expire if not accepted in writing and received by the Bank on or before **March 31, 2022**.

Yours Truly,

**National Bank of Canada**



**Aaron Unger**  
MANAGING DIRECTOR – COMMERCIAL BANKING - REAL ESTATE



**Greg Stephanson**  
DIRECTOR - COMMERCIAL BANKING – REAL ESTATE

TO THE NATIONAL BANK OF CANADA

The undersigned hereby accepts the foregoing terms and conditions of this amending letter agreement this 18 day of MARCH, 2022.

BORROWER

By The Bay Home Development Ltd.

By : [Signature]  
Name SUNDIR S. DHILLON  
Title DIRECTOR

By : \_\_\_\_\_  
Name  
Title

GUARANTORS

Dimex Properties Inc.

By : [Signature]  
Name SUNDIR S. DHILLON  
Title DIRECTOR

By : \_\_\_\_\_  
Name  
Title

Dimex Developments Inc.

By : [Signature]  
Name SUNDIR S. DHILLON  
Title DIRECTOR

By : \_\_\_\_\_  
Name  
Title

Witness [Signature]

[Signature]  
Mr. Sundhir (Sunny) Dhillon

This is **Exhibit "C"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



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A Commissioner for the taking of Affidavits for  
British Columbia



National Bank of Canada  
Real Estate Group  
2900-475 Howe Street  
Vancouver, BC V6C 2B3

June 1, 2022

**By The Bay Home Development Ltd.**  
**c/o Dimex Group**  
610 – 1155 West Pender Street  
Vancouver, BC V6E 2P4

Mr. Sundhir (Sunny) Dhillon,

We refer to the loan agreement dated October 2, 2019 and the Amending Agreement dated March 9, 2022 (collectively, the “**Loan Agreement**”) from the Bank to the Borrower, and accepted by the Borrower and the Guarantors. Any terms not defined in this amending letter agreement shall have the meaning given to those terms in the Loan Agreement.

Based on the information, representations and documents you have provided to the Bank, and at the request of the Borrower, the Bank has agreed, subject to the terms hereof, to amend the terms and conditions of the Loan Agreement as set out herein.

The Borrower hereby covenants and agrees as follows:

#### **TYPE OF CREDIT FACILITY AND AMOUNT**

Section 3, “Type of Credit Facility and Amount” shall be amended to include the following immediately after subsection iii):

“iv) A **CDN \$50,000** demand corporate MasterCard (“**Facility #4**”).

#### **PURPOSE OF THE FINANCING**

Section 4, “Purpose of the Financing” shall be amended to include the following immediately after subsection iii):

“iv) Facility #4 shall be used to pay for and temporarily finance day-to-day Project-related expenses.”

#### **DRAWDOWN**

Section 9, “Drawdown” shall be amended to include the following immediately after the paragraph relating to Facility #3:

**“Facility #4:**

Available through the use of the MasterCard cards issued from time to time by the Bank, at its discretion, in accordance with the terms and conditions of the MasterCard Agreements.”

#### **REPAYMENT**

Section 10, “Repayment” shall be amended to include the following immediately after the paragraph relating to Facility #3:

**“Facility #4:**

Payments are required in accordance with the terms and conditions of the MasterCard Agreement.”



**PERMITTED LIENS**

Section 16, "Permitted Liens" shall be deleted in its entirety and replaced with the following:

"The Borrower will be allowed a permitted second mortgage from Genesis Mortgage Investment Corp., as mezzanine lender, up to a maximum amount of \$3,500,000 (plus interest and fees). The second mortgage is to be supported by a standard inter-lender agreement, along with a postponement and standstill agreement acceptable to the Bank.

The Borrower will be allowed a permitted second (or third) mortgage from the WBI Home Warranty Group / Guarantee Company of North America in the amount of up to \$3,000,000 to insure purchaser deposits utilized within the construction program. This permitted lien is to be supported by a standard inter-lender agreement, along with a postponement and standstill agreement acceptable to the Bank."

**CONFIRMATION AND REAFFIRMATION**

Notwithstanding the foregoing, all Bank Security granted under the Loan Agreement shall remain in full force and effect, and are hereby affirmed by the acceptance of the Borrower and the Guarantors of this amending letter agreement. Each of the terms and conditions of the Loan Agreement, as amended by this amending letter agreement, shall remain in full force and effect, and are hereby affirmed by the undersigned.

**CONDITIONS PRECEDENT**

The effectiveness of this amending letter agreement is subject to the fulfilment of each of the following conditions:

- 1) The Bank having received an executed copy of this amending letter agreement;
- 2) Any representations and warranties set out in the Loan Agreement and the Bank Security shall be true and correct in all material respects on and as of the effective date of this amending letter agreement;
- 3) Any amendments required to the Bank Security are to be completed to the satisfaction of the Bank and its solicitor;
- 4) The Bank having received an executed postponement and standstill agreement from Genesis Mortgage Investment Corp. in form and substance satisfactory to the Bank and its solicitor; and
- 5) Such other documents as the Bank may reasonably require.

We ask that if you wish to accept the terms and conditions of this amending letter agreement, please do so by signing and returning the attached duplicate copy of this letter to the undersigned. This offer will expire if not accepted in writing and received by the Bank on or before **June 14, 2022**.

Yours Truly,

**National Bank of Canada**



\_\_\_\_\_  
**Jason Beazer**  
DIRECTOR – COMMERCIAL BANKING - REAL ESTATE



\_\_\_\_\_  
**Aaron Unger**  
MANAGING DIRECTOR – COMMERCIAL BANKING - REAL ESTATE



TO THE NATIONAL BANK OF CANADA

The undersigned hereby accepts the foregoing terms and conditions of this amending letter agreement this 9 day of June, 2022.

BORROWER

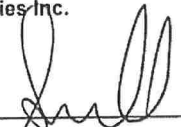
By The Bay Home Development Ltd.

By :   
Name Sundhir S. Dhillon  
Title Director

By : \_\_\_\_\_  
Name  
Title

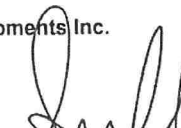
GUARANTORS

Dimex Properties Inc.

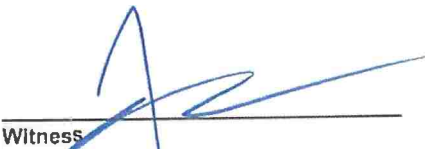
By :   
Name Sundhir S. Dhillon  
Title Director


By : \_\_\_\_\_  
Name  
Title

Dimex Developments Inc.

By :   
Name Sundhir S. Dhillon  
Title Director

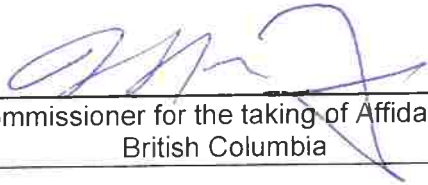
By : \_\_\_\_\_  
Name  
Title

Witness 

  
Mr. Sundhir (Sunny) Dhillon

ANTONY S. DUSEVIC  
Burrister & Solicitor  
Suite 2388, 4720 Kingsway  
Burnaby, B.C. Canada V5H 4N2  
Tel: 604.431.8368

This is **Exhibit "D"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



A Commissioner for the taking of Affidavits for  
British Columbia

NEW WESTMINSTER LAND TITLE OFFICE

LAND TITLE ACT  
FORM B (Section 225)

Dec-19-2019 15:47:24.001

CA7942637 CA7942638

MORTGAGE - PART 1 Province of British Columbia

PAGE 1 OF 5 PAGES

Your electronic signature is a representation that you are a designate authorized to certify this document under section 168.4 of the *Land Title Act*, RSBC 1996 c.250, that you certify this document under section 168.41(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

Cherie Lai Wah Mah IXF7ZR	Digitally signed by Cherie Lai Wah Mah IXF7ZR
	Date: 2019.12.19 10:24:31 -08'00'

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

Borden Ladner Gervais LLP

1200 - 200 Burrard Street

P.O. Box 48600

Vancouver

BC V7X 1T2

Tel. No. 604-687-5744

File No. 402508-000050

Client No. 10439

Document Fees: \$148.32

Deduct LTSA Fees? Yes

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [legal description]

**SEE SCHEDULE**

STC? YES

3. BORROWER(S) (MORTGAGOR(S)): (including postal address(es) and postal code(s))

**BY THE BAY HOME DEVELOPMENT LTD.**

610-1155 WEST PENDER STREET

VANCOUVER

V6E 2P4

BRITISH COLUMBIA

CANADA

Incorporation No

BC1081074

4. LENDER(S) (MORTGAGEE(S)): (including occupation(s), postal address(es) and postal code(s))

**NATIONAL BANK OF CANADA**

A Canadian chartered bank having its branch office at

311 6th Avenue SW, 6th Floor

Calgary

CANADA

BRITISH COLUMBIA

T2P 3H2

5. PAYMENT PROVISIONS:

(a) Principal Amount:	(b) Interest Rate:	(c) Interest Adjustment Date: N/A	Y	M	D
\$15,950,000	SEE SCHEDULE				
(d) Interest Calculation Period: SEE SCHEDULE	(e) Payment Dates: SEE SCHEDULE	(f) First Payment Date: N/A			
(g) Amount of each periodic payment: N/A	(h) <i>Interest Act</i> (Canada) Statement. The equivalent rate of interest calculated half yearly not in advance is N/A % per annum.	(i) Last Payment Date: ON DEMAND			
(j) Assignment of Rents which the applicant wants registered? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> If YES, page and paragraph number:  Page 5, Paragraph 11 of SMT MT140002	(k) Place of payment:  POSTAL ADDRESS IN ITEM 4	(l) Balance Due Date: ON DEMAND			

**MORTGAGE – PART 1**

6. MORTGAGE contains floating charge on land ?  
 YES  NO 
 7. MORTGAGE secures a current or running account ?  
 YES  NO

8. INTEREST MORTGAGED:  
 Fee Simple   
 Other (specify)

9. MORTGAGE TERMS:  
 Part 2 of this mortgage consists of (select one only):  
 (a) Prescribed Standard Mortgage Terms   
 (b) Filed Standard Mortgage Terms  D F Number: MT140002  
 (c) Express Mortgage Terms  (annexed to this mortgage as Part 2)  
 A selection of (a) or (b) includes any additional or modified terms referred to in item 10 or in a schedule annexed to this mortgage.

10. ADDITIONAL OR MODIFIED TERMS:  
 N/A

11. PRIOR ENCUMBRANCES PERMITTED BY LENDER:  
 None

12. EXECUTION(S): This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

Officer Signature(s)

ANTONY S. DUSEVIC  
 Barrister & Solicitor  
 Suite 2388, 4720 Kingsway  
 Burnaby, B.C. Canada V5H 4N2  
 Tel: 604.431.8368

Execution Date		
Y	M	D
19	12	12

Borrower(s) Signature(s)

BY THE BAY HOME  
 DEVELOPMENT LTD., by its  
 authorized signatory/(ies):

Name: Sundhir S. Dhillon  
 Title: Director

Name:  
 Title:

(as to all signatures)

**OFFICER CERTIFICATION:**

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

LAND TITLE ACT  
FORM E

SCHEDULE

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

**003-511-995 STRATA LOT 1 DISTRICT LOT 185 STRATA PLAN VR. 152**

STC? YES

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

**003-512-002 STRATA LOT 2 DISTRICT LOT 185 STRATA PLAN VR. 152**

STC? YES

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

**003-512-045 STRATA LOT 3 DISTRICT LOT 185 STRATA PLAN VR. 152**

STC? YES

LAND TITLE ACT  
FORM E

SCHEDULE

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

**003-512-134 STRATA LOT 4 DISTRICT LOT 185 STRATA PLAN VR. 152**

STC? YES

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

STC? YES

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

STC? YES



**LAND TITLE ACT  
FORM E****SCHEDULE**

PAGE 5 OF 5 PAGES

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

**5. PAYMENT PROVISIONS:****(b) Interest Rate:**

Such rate or rates of interest, as may be agreed to between the Borrower(s) [(Mortgagor(s))] named in Item 3 (the "Borrower") and the Lender(s) [Mortgagee(s)] named in Item 4 (the "Lender") from time to time in one or more Agreements (as defined in the Filed Standard Mortgage Terms comprising Part 2 of this Mortgage (the "Mortgage Terms")) entered into now or at any time in the future, with respect to the Obligations (as defined in the Mortgage Terms) arising from or relating to such Agreement or Agreements, calculated semi-annually or monthly, as the case may be, not in advance, and payable after as well as before default, judgment and maturity.

**(d) Interest Calculation Period:**

Monthly, semi-annually, or as may otherwise be agreed to between the Borrower and the Lender from time to time in one or more Agreements entered now or at any time in the future, with respect to the Obligations arising from or relating to such Agreement or Agreements, not in advance.

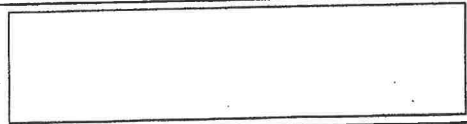
**(e) Payment Dates:**

The dates, as may be agreed to between the Borrower and the Lender from time to time in one or more Agreements entered into now or at any time in the future, with respect to Obligations arising from or relating to such Agreement or Agreements, when such Obligations are required to be paid, observed, performed and satisfied, by regular instalments or otherwise.

**LAND TITLE ACT  
FORM B (Section 225)**

**MORTGAGE - PART 1 Province of British Columbia**

Your electronic signature is a representation that you are a designate authorized to certify this document under section 168.4 of the *Land Title Act*, RSBC 1996 c.250, that you certify this document under section 168.41(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.



1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

**Borden Ladner Gervais LLP**  
1200 - 200 Burrard Street  
P.O. Box 48600  
Vancouver

BC V7X 1T2

Tel. No. 604-687-5744  
File No. 402508-000050  
Client No. 10439

Deduct LTSA Fees? Yes

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [legal description]

**SEE SCHEDULE**

STC? YES

3. BORROWER(S) (MORTGAGOR(S)): (including postal address(es) and postal code(s))

**BY THE BAY HOME DEVELOPMENT LTD.**

610-1155 WEST PENDER STREET  
VANCOUVER

V6E 2P4

BRITISH COLUMBIA  
CANADA

Incorporation No  
BC1081074

4. LENDER(S) (MORTGAGEE(S)): (including occupation(s), postal address(es) and postal code(s))

**NATIONAL BANK OF CANADA**

A Canadian chartered bank having its branch office at  
311 6th Avenue SW, 6th Floor

Calgary  
CANADA

BRITISH COLUMBIA  
T2P 3H2

5. PAYMENT PROVISIONS:

(a) Principal Amount:  
\$15,950,000

(b) Interest Rate:  
SEE SCHEDULE

(c) Interest Adjustment  
Date: N/A

Y	M	D
---	---	---

(d) Interest Calculation Period:  
SEE SCHEDULE

(e) Payment Dates:  
SEE SCHEDULE

(f) First Payment  
Date: N/A

(g) Amount of each periodic payment:  
N/A

(h) *Interest Act* (Canada) Statement.  
The equivalent rate of interest calculated  
half yearly not in advance  
is N/A % per annum.

(i) Last Payment  
Date: ON  
DEMAND

(j) Assignment of Rents which the  
applicant wants registered?  
YES  NO   
If YES, page and paragraph number:

Page 5, Paragraph 11 of  
SMT MT140002

(k) Place of payment:  
POSTAL ADDRESS IN  
ITEM 4

(l) Balance Due  
Date: ON  
DEMAND

Y	M	D
---	---	---

**MORTGAGE - PART 1**

6. MORTGAGE contains floating charge on land ?  
YES  NO

7. MORTGAGE secures a current or running account ?  
YES  NO

8. INTEREST MORTGAGED:  
Fee Simple   
Other (specify)

9. MORTGAGE TERMS:

Part 2 of this mortgage consists of (select one only):

- (a) Prescribed Standard Mortgage Terms
- (b) Filed Standard Mortgage Terms
- (c) Express Mortgage Terms

D F Number: MT140002  
(annexed to this mortgage as Part 2)

A selection of (a) or (b) includes any additional or modified terms referred to in item 10 or in a schedule annexed to this mortgage.

10. ADDITIONAL OR MODIFIED TERMS:

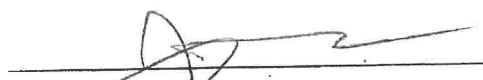
N/A

11. PRIOR ENCUMBRANCES PERMITTED BY LENDER:

None

12. EXECUTION(S): This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

Officer Signature(s)



**ANTONY S. DUSEVIC**  
Barrister & Solicitor  
Suite 2388/ 4720 Kingsway  
Burnaby, B.C. Canada V5H 4N2  
Tel: 604.431.8368

Execution Date

Y	M	D
19	12	12

Borrower(s) Signature(s)

BY THE BAY HOME DEVELOPMENT LTD, by its authorized signatory(ies):

Name:   
Title: **SUNDHIR S. DHILLON**

Name:  
Title:

(as to all signatures)

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

LAND TITLE ACT  
FORM E

## SCHEDULE

PAGE 3 OF 5 PAGES

- 
2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

**003-511-995 STRATA LOT 1 DISTRICT LOT 185 STRATA PLAN VR. 152**

STC? YES

- 
2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

**003-512-002 STRATA LOT 2 DISTRICT LOT 185 STRATA PLAN VR. 152**

STC? YES

- 
2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

**003-512-045 STRATA LOT 3 DISTRICT LOT 185 STRATA PLAN VR. 152**

STC? YES

LAND TITLE ACT  
FORM E

SCHEDULE

---

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

003-512-134 STRATA LOT 4 DISTRICT LOT 185 STRATA PLAN VR. 152

STC? YES

---

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

STC? YES

---

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [LEGAL DESCRIPTION]

STC? YES

**LAND TITLE ACT  
FORM E**

PAGE 5 OF 5 PAGES

**SCHEDULE**

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM, OR GENERAL INSTRUMENT FORM.

**5. PAYMENT PROVISIONS:****(b) Interest Rate:**

Such rate or rates of interest, as may be agreed to between the Borrower(s) [(Mortgagor(s))] named in Item 3 (the "Borrower") and the Lender(s) [Mortgagee(s)] named in Item 4 (the "Lender") from time to time in one or more Agreements (as defined in the Filed Standard Mortgage Terms comprising Part 2 of this Mortgage (the "Mortgage Terms")) entered into now or at any time in the future, with respect to the Obligations (as defined in the Mortgage Terms) arising from or relating to such Agreement or Agreements, calculated semi-annually or monthly, as the case may be, not in advance, and payable after as well as before default, judgment and maturity.

**(d) Interest Calculation Period:**

Monthly, semi-annually, or as may otherwise be agreed to between the Borrower and the Lender from time to time in one or more Agreements entered now or at any time in the future, with respect to the Obligations arising from or relating to such Agreement or Agreements, not in advance.

**(e) Payment Dates:**

The dates, as may be agreed to between the Borrower and the Lender from time to time in one or more Agreements entered into now or at any time in the future, with respect to Obligations arising from or relating to such Agreement or Agreements, when such Obligations are required to be paid, observed, performed and satisfied, by regular instalments or otherwise.

NEW WESTMINSTER LAND TITLE OFFICE

LAND TITLE ACT BRITISH COLUMBIA  
FORM 17 CHARGE, NOTATION OR FILING  
LAND TITLE AND SURVEY AUTHORITY

Feb-10-2020 11:12:53.001

CA8027628

CA8027631

PAGE 1 OF 6 PAGES

Your electronic signature is a representation that  
(a) you are a subscriber under section 168.6 of the *Land Title Act*, RSBC 1996 c.250, and that you are authorized to electronically sign this application by an e-filing direction made under section 168.22(2) of the act, and  
(b) if this application requires a supporting document, that you are a designate authorized to certify this application under section 168.4 of the *Land Title Act*, RSBC 1996, c.250, that you certify this application under section 168.43(3) of the act, and that the supporting document or a true copy of the supporting document, if a true copy is allowed under an e-filing direction, is in your possession.

Cherie Lai Wah  
Mah IXF7ZR

Digitally signed by Cherie  
Lai Wah Mah IXF7ZR  
Date: 2020.02.10  
11:10:04 -08'00'

1. APPLICANT: (Name, address, phone number of applicant, applicant's solicitor or agent)

Borden Ladner Gervais LLP  
1200 - 200 Burrard Street  
P.O. Box 48600  
Vancouver  
Document Fees: \$0.00

BC V7X 1T2

Tel. No. 604-687-5744  
File No. 402508  
Client No. 10439

Deduct LTSA Fees? Yes

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:  
[PID] [legal description]

SEE SCHEDULE

STC? YES

3. NATURE OF CHARGE, NOTATION, OR FILING: AFFECTED CHARGE OR NOTATION NO:

SEE SCHEDULE  
ADDITIONAL INFORMATION:

NATURE OF CHARGE, NOTATION, OR FILING: AFFECTED CHARGE OR NOTATION NO:

SEE SCHEDULE  
ADDITIONAL INFORMATION:

4. PERSON TO BE REGISTERED AS CHARGE OWNER: (including occupation(s), postal address(es) and postal code(s))

NATIONAL BANK OF CANADA  
A CANADIAN CHARTERED BANK HAVING ITS BRANCH AT  
311 6TH AVENUE SW, 6TH FLOOR  
CALGARY ALBERTA  
T2P 3H2 CANADA

**LAND TITLE ACT  
FORM E****SCHEDULE****2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND**STC for each PID listed below? YES 

[PID]	[LEGAL DESCRIPTION – must fit in a single text line]
003-511-995	STRATA LOT 1 DISTRICT LOT 185 STRATA PLAN VR. 152
003-512-002	STRATA LOT 2 DISTRICT LOT 185 STRATA PLAN VR. 152
003-512-045	STRATA LOT 3 DISTRICT LOT 185 STRATA PLAN VR. 152
003-512-134	STRATA LOT 4 DISTRICT LOT 185 STRATA PLAN VR. 152
010-775-391	LOT 16 OF LOT 6 BLOCK 138 DISTRICT LOT 264A PLANS 347 AND 1771
003-712-117	LOT 15 OF LOT 6 BLOCK 138 DISTRICT LOT 264A PLANS 347 AND 1771
015-420-442	LOT 14 OF LOT 6 BLOCK 138 DISTRICT LOT 264A PLANS 347 AND 1771
006-976-603	LOT E OF LOT 6 BLOCK 138 DISTRICT LOT 264A PLAN 19662



**SCHEDULE**

PAGE 3 OF 6 PAGES

---

NATURE OF CHARGE, NOTATION, OR FILING:      AFFECTED CHARGE OR NOTATION NO: CA7942637

**CHANGE OF ADDRESS**

ADDITIONAL INFORMATION:

As to PIDs: 003-511-995, 003-512-002, 003-512-045 and 003-512-134

---

NATURE OF CHARGE, NOTATION, OR FILING:      AFFECTED CHARGE OR NOTATION NO: CA7942638

**CHANGE OF ADDRESS**

ADDITIONAL INFORMATION:

As to PIDs: 003-511-995, 003-512-002, 003-512-045 and 003-512-134

---

NATURE OF CHARGE, NOTATION, OR FILING:      AFFECTED CHARGE OR NOTATION NO: CA7942648

**CHANGE OF ADDRESS**

ADDITIONAL INFORMATION:

As to PIDs: 010-775-391, 003-712-117, 015-420-442 and 006-976-603

SCHEDULE

---

NATURE OF CHARGE, NOTATION, OR FILING:      AFFECTED CHARGE OR NOTATION NO: CA7942649

**CHANGE OF ADDRESS**

ADDITIONAL INFORMATION:

As to PIDs: 010-775-391, 003-712-117, 015-420-442 and 006-976-603

---

NATURE OF CHARGE, NOTATION, OR FILING:      AFFECTED CHARGE OR NOTATION NO:

ADDITIONAL INFORMATION:

---

NATURE OF CHARGE, NOTATION, OR FILING:      AFFECTED CHARGE OR NOTATION NO:

ADDITIONAL INFORMATION:

*Land Title Act*  
**Form 15**  
*(section 149 (2))*

**NOTICE OF CHANGE OF ADDRESS**

TO: Registrar

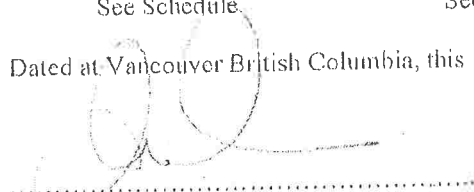
New Westminster Land Title Office, British Columbia

I, Cherie Mah, am the solicitor for the registered owner of the charges on the following lands. The address of the registered owner of the charge has changed to:

NATIONAL BANK OF CANADA  
 A CANADIAN CHARTERED BANK HAVING ITS BRANCH AT  
 311 6TH AVENUE SW, 6<sup>TH</sup> FLOOR  
 CALGARY, ALBERTA  
 T2P 3H2

LEGAL DESCRIPTION OF LAND	PARCEL IDENTIFIER (PID)	TITLE NUMBER or CHARGE NUMBER (if available)
See Schedule	See Schedule	See Schedule

Dated at Vancouver British Columbia, this 10<sup>th</sup> day of February, 2020

  
 Signature: Cherie Mah

FEE: Nil

**NOTE:** 1. One form may combine fees simple and charges.  
 2. If a receipt for this form is desired, this form should be accompanied by an extra copy.

## Schedule A

Legal Description of Land	Parcel Identifier (PID)	Title Number or Charge Number (if available)
Strata Lot 1, District Lot 185, Strata Plan VR.152	003-511-995	CA7942637 and CA7942638
Strata Lot 2, District Lot 185, Strata Plan VR.152	003-512-002	CA7942637 and CA7942638
Strata Lot 3, District Lot 185, Strata Plan VR.152	003-512-045	CA7942637 and CA7942638
Strata Lot 4, District Lot 185, Strata Plan VR.152	003-512-134	CA7942637 and CA7942638
Lot 16 of Lot 6 Block 138 District Lot 264A Plans 347 and 1771	010-775-391	CA7942648 and CA7942649
Lot 15 of Lot 6 Block 138 District Lot 264A Plans 347 and 1771	003-712-117	CA7942648 and CA7942649
Lot 14 of Lot 6 Block 138 District Lot 264A Plans 347 and 1771	015-420-442	CA7942648 and CA7942649
Lot E of Lot 6 Block 138 District Lot 264A Plan 19662	006-976-603	CA7942648 and CA7942649

This is **Exhibit "E"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



\_\_\_\_\_  
A Commissioner for the taking of Affidavits for  
British Columbia

17 FEB 2014 10 30

MT 140002.  
~~BB1512966~~

17/2/14

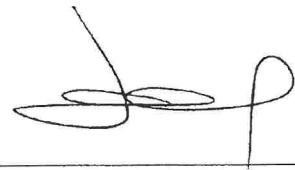
Registrar  
Lower Mainland Land Title Office  
New Westminster, B.C.

ZT 17/02/2014 10:30:53 AM 1 2  
Doc File 1 \$24.20

Please receive herewith the following document(s) for filing by  
National Bank:

STANDARD MORTGAGE TERMS

MT140002



Jacqueline Leung  
Real Property Paralegal  
McCarthy Tétrault LLP  
Barristers and Solicitors  
1300 – 777 Dunsmuir Street  
Vancouver, B.C. V7Y 1K2  
(604) 643-7100

(LTO Client No. 010452)



**STANDARD MORTGAGE TERMS**  
(Alberta, British Columbia, Manitoba and Saskatchewan)

**FILED BY:** NATIONAL BANK

**FILING NO.:**

A. Registered in Alberta having Registration Number \_\_\_\_.

When the Property (as defined below) is in Alberta, the following set of Mortgage Terms shall be deemed to be included in and form part of every mortgage in which it is referred to by the above-mentioned Registration Number.

B. Filed in British Columbia pursuant to the Land Transfer Form Act, R.S.B.C. 1996 Part 3, c. 252, reference date: \_\_\_\_. Registered in the Land Title Office, dated \_\_\_\_, as Filing Number \_\_\_\_.

When the Property (as defined below) is in British Columbia, the following set of Mortgage Terms shall be deemed to be included in and form part of every mortgage in which it is referred to by the above-mentioned Filing Number, as provided in Section 225 of the Land Title Act, R.S.B.C. 1996, c. 250, as amended or replaced from time to time.

C. Filed in Manitoba as Serial Number \_\_\_\_.

When the Property (as defined below) is in Manitoba, the following set of Mortgage Terms shall be deemed to be included in and form part of every mortgage in which it is referred to by the above-mentioned Serial Number, as provided in Section 96(4) of The Real Property Act, RSM 1988, c. R30, as amended or replaced from time to time.

D. Registered in Saskatchewan having DSL Number \_\_\_\_.

When the Property (as defined below) is in Saskatchewan, the following set of Mortgage Terms shall be deemed to be included in and form part of every Mortgage in which it is referred to by the above-mentioned DSL Number.

**1. MEANINGS AND DEFINITIONS**

**1.1 Definitions.** In these Mortgage Terms:

"Agreement" means any agreement or document, now or in the future, that gives rise or relates to any Obligations, and any renewals, extensions, amendments, replacements, restatements and substitutions of such agreement or document.

"Applicable Laws" means all applicable federal, provincial and municipal laws, statutes, regulations, rules, by-laws, policies and guidelines, orders, permits, licenses, authorizations, approvals and all applicable common laws or equitable principles whether now or hereafter in force and effect.

"Costs" means all costs of the Mortgagee (and interest on all such costs from the date incurred until paid to the Mortgagee) for:

- (i) preparing, executing and registering any Agreement or this Mortgage and any such costs in extending credit to the Mortgagor or qualifying the Mortgagor for such purpose;
- (ii) enforcing the Mortgage or any Agreement;
- (iii) any protective disbursements or just allowances paid by the Mortgagee that may be added to the Obligations or are otherwise secured by this Mortgage;
- (iv) any Receiver or other Person appointed with similar powers (under this Mortgage or otherwise) and such Receiver's or Person's costs in regard to the Property;
- (v) obtaining assessments of the condition of the Property, such as environmental assessments;
- (vi) complying with any requirements of Applicable Laws in regard to the Property or the Mortgage;
- (vii) performing any of the obligations of the Mortgagor under the Mortgage or any Agreement, such as the costs incurred in removing any lien from title to the Property that is in breach of this Mortgage (whether or not having priority over the Mortgage) or paying Taxes; and
- (viii) in the case of all of the above items, all legal fees and disbursements of the Mortgagee, or a Receiver, on a full solicitor-client or substantial (i.e. full) indemnity basis.

"Court" means a court or judge having jurisdiction under Applicable Laws.

"Default" means any default occurring under this Mortgage.

"Mortgage" means, together, the Mortgage Form and these Mortgage Terms.

"Mortgage Form" means the form, stipulated by Applicable Laws, to which these Mortgage Terms are attached or incorporated by reference.

"Mortgage Terms" means the terms and conditions contained in this document.

"Mortgagee" means National Bank of Canada and includes any Person to whom National Bank of Canada transfers this Mortgage.

"Mortgagee's Address" means the address shown on the Mortgage Form or the most recent address provided in a written notice given by the Mortgagee to the Mortgagor under these Mortgage Terms.

"Mortgagor" means the Person or Persons named in the Mortgage Form as Mortgagor.

"Mortgagor's Address" means the address of the Mortgagor set out in the Mortgage Form or the most recent address provided in a written notice given by the Mortgagor to the Mortgagee under these Mortgage Terms.

"Obligations" means all obligations, indebtedness and liabilities of the Mortgagor to the Mortgagee, present and future, direct and indirect, absolute and contingent, matured or not, wherever incurred, now or at any time due or owing by the Mortgagor to the Mortgagee or remaining unpaid by the Mortgagor to the Mortgagee, whether reduced from time to time and afterwards increased or entirely extinguished and afterwards incurred again (such as a revolving line of credit), whether arising by way of an Agreement or otherwise, whether arising from dealings between the Mortgagee and the Mortgagor or from other dealings or proceedings by which the Mortgagee may be or become in any manner a creditor of the Mortgagor, whether incurred by the Mortgagor as principal, surety or otherwise and whether incurred by the Mortgagor alone or with others.

"Person" means a natural person, corporation, company, partnership, joint venture, unincorporated organization, trust, government or any other entity.

"Place of Payment" means the Mortgagee's Address or any other place specified in a written notice given by the Mortgagee to the Mortgagor.

"Property" means the lands described in the Mortgage Form, together with all buildings, structures, and improvements of any nature or kind now or hereafter located on such lands, and all fixtures, rents and all other appurtenances thereto.

"Receiver" means a receiver, a manager, a receiver and manager, or any other similar Person appointed in regard to the Property, or any part of the Property, and the rents and profits of and from such Property, which receiver may be an officer or officers or employee or employees of the Mortgagee, though need not be.

"Spouse" means spouse or common-law partner.

"Strata/Condominium Documents" has the meaning given to such term in subsection 13.2.

"Taxes" means all taxes, rates and assessments of every kind that are payable by any Person in connection with this Mortgage, the Property or its use and occupation, or arising out of any transaction between the Mortgagor and the Mortgagee, but not including the Mortgagee's income taxes.

## 2. CONTINUING SECURITY

- 2.1 **Mortgage of Property.** The Mortgagor, hereby grants, mortgages and charges the Property to the Mortgagee as continuing security for payment and performance of the Obligations.
- 2.2 **Limitation.** This Mortgage will secure at any one time only that portion of the principal component of the Obligations at such time up to the registered amount shown on the Mortgage Form (which may be identified on such form as the principal amount), together with (i) interest (at the rate specified in this Mortgage) on such portion of the Obligations and (ii) Costs.
- 2.3 **Mortgagee Not Required to Advance Money.** The Mortgagee is not obliged to advance to the Mortgagor any money under this Mortgage, whether or not this Mortgage is registered, and nothing in this Mortgage obliges the Mortgagee to make any advances of money to the Mortgagor.
- 2.4 **No Discharge.** By entering into this Mortgage, the Mortgagor and Mortgagee do not intend that any Agreement is to be extinguished, superseded or discharged. If a judgment is obtained from a Court concerning some or all of the Obligations, the Mortgagor and Mortgagee do not intend that the remaining Obligations will be extinguished, superseded or discharged or that the Mortgagee will be prevented from exercising any of its remaining rights under any Agreement, this Mortgage or Applicable Laws.
- 2.5 **No Prejudice to Other Security.** The Mortgagee may take guarantees or security from other Persons or take other security from the Mortgagor, or grant time, renewals, extensions, indulgences, releases and discharges to the Mortgagor and other Persons, relating to the Obligations, without prejudicing the rights and remedies of the Mortgagee under this Mortgage.
- 2.6 **Possession of Property.** The Mortgagor may continue to remain in possession of the Property as long as the Mortgagor is not in Default.
- 2.7 **Discharge of Mortgage.** When all Obligations are satisfied in full by the Mortgagor, and the Mortgagor has no further liability under any Agreement, and the Mortgagee has no obligation to make any further advances or extend credit under any Agreement, this Mortgage will have no further effect and the Mortgagor will be entitled to obtain a discharge of this Mortgage. The Mortgage shall not be or be deemed to be considered as satisfied, exhausted or discharged by any intermediate payment or satisfaction of the whole or part or parts of the Obligations at any time or from time to time, but shall constitute and be a continuing security to the Mortgagee for the payment, fulfillment and performance of all of the Obligations from time to time unpaid or unfulfilled. Where the Mortgagor is entitled to such discharge of this Mortgage, the discharge will be prepared and signed by the Mortgagee and is to be registered by the Mortgagor, at the Mortgagor's expense, in the appropriate registry of deeds, land titles or land registration office or district to cause cancellation, release or discharge of this Mortgage against the Property.

## 3. INTEREST

- 3.1 **Calculation of Interest.** Any interest that is chargeable on and forms part of the Obligations is payable at the rate or rates and with the frequency specified by the terms of an Agreement and this Mortgage, both before and after any Default, any maturity of the Obligations to which the interest relates and any judgment obtained with respect to the Obligations to which the interest relates, until all such interest and the Obligations to which the interest relates have been paid in full. Interest unpaid when due in accordance with the terms of an Agreement and this Mortgage will be added to the Obligations and will bear compound interest at the rate or rates and with the frequency specified by the terms of an Agreement and this Mortgage. If the interest rate for any amount payable under this Mortgage is not specified by the terms of any Agreement or this Mortgage, then such interest will be payable at the rate and with the frequency and otherwise in accordance with Applicable Laws.
- 3.2 **Maximum Interest.** If the interest rate or rates under the terms of an Agreement and this Mortgage exceed the maximum rate permitted by Applicable Laws, then, notwithstanding the terms of said Agreement and this Mortgage, the interest rate will be deemed to be such maximum rate.
- 3.3 **Rate of Interest on Mortgage Form.** If a rate of interest is set out on the Mortgage Form, the rate or rates of interest on the Obligations will nonetheless be the rate or rates specified by the terms of any applicable Agreement, but if none is so specified for any portion of the Obligations, then the applicable rate of interest for such Obligations will be that which is set out on the Mortgage Form.



- 3.4 **Interest on Costs.** Costs form part of the Obligations and if Costs arise, the Mortgagor will pay interest on such Costs on demand (and interest on overdue interest), from the time the Costs arise. The interest rate on Costs will be determined in accordance with subsections 3.1, 3.2 and 3.3.

#### 4. PAYMENT

- 4.1 **Payment on Demand.** The Mortgagor will pay to the Mortgagee the outstanding amount of the Obligations immediately on demand by the Mortgagee, unless the terms of an Agreement and this Mortgage provide otherwise.
- 4.2 **Application of Payments.** Each payment will be applied as set out in the applicable Agreement. If an Agreement does not specify the manner in which payments will be applied, each payment will be applied firstly to Costs and secondly to other Obligations, as the Mortgagee will determine. Payments do not discharge the Mortgage otherwise than in accordance with subsection 2.7.

#### 5. TAXES

- 5.1 **Payment of Taxes by Mortgagor.** Without limiting any promise the Mortgagor has made to the Mortgagee in any Agreement concerning the payment of Taxes, the Mortgagor promises to pay all Taxes when they are due and any other debt that could rank prior to this Mortgage and to send to the Mortgagee at the Place of Payment, within thirty days of the payment due date for such Taxes, evidence that such payments have been made. If the Mortgagor fails to pay Taxes as required, the Mortgagee may, but is not obligated to, pay the Taxes, and any such amount paid by the Mortgagee will be included as Costs and form part of the Obligations.
- 5.2 **Government Assistance.** The Mortgagor promises to apply for all government grants, assistance and rebates in respect of Taxes.

#### 6. OTHER PROMISES OF THE MORTGAGOR

- 6.1 **Mortgagor Promises.** The Mortgagor promises:
- a. to comply with all terms and conditions of any charge or encumbrance of the Property;
  - b. to pay and perform all Obligations, and to comply with all terms of this Mortgage and any applicable Agreement;
  - c. to keep all buildings and improvements forming part of the Property in good condition and to repair them as needed or as the Mortgagee reasonably requires and not to alter or tear down any building or part of a building forming part of the Property;
  - d. to enforce and maintain in good standing all warranties and insurance relating to buildings and improvements forming part of the Property;
  - e. to comply with Applicable Laws affecting the condition (such as the environmental condition), repair, use and occupation of the Property;
  - f. to do all things and sign any other document that the Mortgagee reasonably requires to ensure that the Obligations remain secured by this Mortgage and that the Mortgage has priority over any other security over the Property, except as may otherwise be agreed to by the Mortgagee;
  - g. not to do or fail to do anything that has the effect of reducing the value of the Property or lowering the priority of this Mortgage and any other security in favour of the Mortgagee (the Mortgagor is to promptly inform the Mortgagee of any fact or event that could adversely affect the value of the Property or the financial condition of the Mortgagor or that could lower the priority of this Mortgage or other security held by the Mortgagee for the Obligations);
  - h. if the Mortgagor has rented the Property, and if the Mortgagee so requests, to keep records of all rents received and of all expenses paid by the Mortgagor in connection with the Property, and, at least annually, have a statement of revenue and expenses for the Property prepared by a chartered accountant, and to give a copy of the statement to the Mortgagee;
  - i. to insure and keep insured all buildings and improvements on the Property for not less than their full replacement value until this Mortgage is discharged, including, without limitation, (i) risks of loss or damage by fire with extended perils coverage and such additional perils, risks or events against which a prudent owner would insure the Property; (ii) risks of loss and damage by explosion of, or caused by, any boiler or similar equipment, against loss or damage caused by a sprinkler system; and (iii) risks of loss from damage to or destruction of the Property resulting in interruption to or loss of revenue, rental income, or business income from the Property;
  - j. to send to the Mortgagee a copy of all insurance policies and renewals of same upon receipt and to ensure that all insurance policies required under this Mortgage are carried with a company approved by the Mortgagee and contain Mortgage clauses approved by the Insurance Bureau of Canada confirming that loss proceeds are payable to the Mortgagee, that the Mortgagee has the right to receive and to have a lien on the loss proceeds in accordance with its priority established under this Mortgage (the Mortgagor hereby assigns to the Mortgagee all amounts payable under any of these policies), and that the insurer will promptly advise the Mortgagee of (i) any cancellation, or proposed cancellation of a policy by the insurer for any reason, (ii) any failure by the insurer to renew a policy for any reason and (iii) any material change in the risk insured by the insurer, if required by the Mortgagee;
  - k. on the happening of any damage, to furnish all necessary proofs to the Mortgagee and do all necessary acts to enable the Mortgagee to obtain payment of the insurance proceeds, with the intention that the Mortgagee, in its discretion, may allow the Mortgagor to use the insurance proceeds to repair or rebuild the Property or may use such insurance proceeds to reduce the Obligations, whether due or not;
  - l. if the Mortgagee requires the Mortgagor to do so, to arrange for payments on account of Obligations to be made by pre-authorized withdrawals from an account of the Mortgagor;
  - m. to pay any money, which, if not paid, would result in a default under any charge or encumbrance having priority over this Mortgage or which might result in the sale of the Property; and
  - n. to pay and cause to be discharged any liens or encumbrances over the Property that are not liens or encumbrances permitted by the Mortgagee under this Mortgage or any Agreement.
- 6.2 **Promises regarding the Property.** The Mortgagor promises and declares to the Mortgagee that
- a. the Mortgagor:
    - (i) has good title to the Property;
    - (ii) has the right to give the Mortgagee this Mortgage and that on Default the Mortgagee can have quiet possession of the Property free from all encumbrances; and

- (iii) will execute such further assurances of title to the Property as may be required by the Mortgagee;
- b. the Mortgagor's title to the Property is subject only to those charges and encumbrances that the Mortgagee has agreed to in writing;
- c. subject to paragraph (b) above, the Mortgagor:
  - (f) has not given or is not in the process of giving any other charge or encumbrance against the Property; and
  - (ii) has no knowledge of any other claim against the Property.

## 7. PROMISES BETWEEN THE MORTGAGOR AND THE MORTGAGEE

- 7.1 **Mortgagee May Fulfill Mortgagor's Obligations.** The Mortgagee may, but is not required to, fulfill any of the obligations of the Mortgagor under the terms of an Agreement, this Mortgage or the Obligations, or spend any money to perform any such obligations.
- 7.2 **Subsequent Interests.** By this Mortgage, the Mortgagor grants and mortgages any additional or greater interest in the Property that the Mortgagor may later acquire.
- 7.3 **Inspection of Property.** The Mortgagee or its agents may, at any reasonable time, inspect the Property and any buildings and improvements which form part of it, or have it appraised from time to time. In addition, the Mortgagee or its agents may conduct, at any reasonable time, any environmental testing, site assessment, investigation, or study that the Mortgagee or its insurer considers necessary. The reasonable cost of any inspection, appraisal, testing, assessment, investigation or study will be immediately due and payable by the Mortgagor and will form part of the Costs. The Mortgagee or its insurer, or their respective agents, will not become a mortgagee in possession by exercising these rights.
- 7.4 **Repairs by Mortgagee.** The Mortgagee, in its sole discretion, may enter the Property at any reasonable time to inspect the Property and request the Mortgagor to make any repairs that the Mortgagee deems necessary, at the cost of the Mortgagor, but, just by doing so, the Mortgagee will not become a mortgagee in possession nor will the Mortgagee be under any obligation to make any repairs to the Property.
- 7.5 **Mortgagee not Responsible for Maintenance.** If the Mortgagee takes possession of the Property, the Mortgagee will not be responsible for maintaining and preserving the Property or maintaining the use for which the Property is intended, except to the extent required by Applicable Laws, and the Mortgagee need only account to the Mortgagor for any money the Mortgagee actually receives in connection with this Mortgage or the Property while in possession of the Property.
- 7.6 **Notice to Mortgagee.** Any notice by the Mortgagor to the Mortgagee may be delivered at or sent by registered mail to the Mortgagee's Address.
- 7.7 **Notice to Mortgagor.** Any notice by the Mortgagee to the Mortgagor may be delivered at or sent by registered mail to the Mortgagor's Address.
- 7.8 **When Notice Received.** Any notice given by mail in accordance with this Mortgage is considered to have been received five days after the day on which it was mailed.
- 7.9 **Mail Strike or Disruption.** Any notice to be given during a mail strike or disruption must not be sent by mail.
- 7.10 **No Release on Sale.** The Mortgagor is not released from the Obligations because the Mortgagor transfers or otherwise conveys, or purports to transfer or otherwise convey, the Property or any interest therein.
- 7.11 **Other Mortgages.** If the Mortgagor has mortgaged, charged or granted any interest or security in any other property to the Mortgagee to secure payment of any of the Obligations, the Mortgagee may take all proceedings under any of those mortgages, charges, grants of interest or security as the Mortgagee decides and as permitted by Applicable Laws.
- 7.12 **Consolidation with Other Mortgages.** The Mortgagee is entitled to treat this Mortgage as one with any other mortgages given now or in the future by the Mortgagor to the Mortgagee, so that the Mortgagee can require that the requirements of all such mortgages, and this Mortgage, have to be satisfied in full before the Mortgagee will be obligated to give a discharge of any of those mortgages or this Mortgage.
- 7.13 **Mortgagee May Release Part of Property.** Whether or not the Mortgagee receives any value, at all times the Mortgagee may release any part or parts of the Property or any other security or any other Person's promise for payment or performance of all or any part of the Obligations without being accountable to the Mortgagor except for the money the Mortgagee actually receives. Notwithstanding any such release, the Property, security and promises of the Mortgagor and other Persons remaining unreleased will remain in effect for payment and performance of the Obligations.

## 8. DEFAULTS

- 8.1 **Events of Default.** A Default occurs under this Mortgage if:
  - a. the Mortgagor fails to pay or perform any of the Obligations at the time and in the manner required by the terms of any Agreement or by this Mortgage;
  - b. any statement, certification, representation, covenant or agreement of the Mortgagor or a guarantor given to the Mortgagee in connection with any Obligations is or becomes untrue or misleading;
  - c. the Mortgagor breaches any promise, condition or agreement which the Mortgagor has made to the Mortgagee in this Mortgage or the Mortgagor or any other Person breaches a promise, condition or agreement in any Agreement;
  - d. the Mortgagor ceases to carry on its business, becomes insolvent or bankrupt, becomes subject to insolvency, reorganization, arrangement or similar proceedings affecting the rights of creditors;
  - e. the Property is abandoned or ceases to be used as currently used;
  - f. the Property or any part of it is expropriated or condemned;
  - g. the Mortgagor sells or agrees to sell all or any part of the Property or the Mortgagor leases it or any part of it without the prior written consent of the Mortgagee, which may be refused at the sole discretion of the Mortgagee;
  - h. the Mortgagor gives another Mortgage of the Property to someone other than the Mortgagee without the prior written consent of the Mortgagee;

- i. any type of lien whatsoever, such as a mechanic's, builder's, or construction lien, judgment or any similar encumbrance is registered against the Property or the Mortgagee receives notice that a lien or judgment will be obtained, unless prior written consent is obtained from the Mortgagee for each instance of lien, judgement or encumbrance;
- j. the Property is subject to foreclosure proceedings, judicial sale, or otherwise seized by another mortgagee, encumbrancer, writ holder, receiver, or any agent of one of those, or any other Person performing similar functions;
- k. improvements to the Property remain unfinished and no work has been done for a period of fifteen consecutive days;
- l. the Mortgagor is in default under any lease of the Property; or
- m. an event occurs which is stated to be a Default under this Mortgage.

**8.2 Mortgagee Determines Default.** The Mortgagee, in its sole discretion, will determine whether any Default has occurred.

## 9. CONSEQUENCES OF A DEFAULT

**9.1 Mortgagor's Rights Cease Upon Default.** Upon a Default occurring, the Mortgagor is not entitled to exercise any rights or entitlements under this Mortgage or any Agreement.

**9.2 Mortgagee's Rights on Default.** If a Default occurs, the Mortgagee, where and to the extent permitted by Applicable Laws, and then in any order that the Mortgagee chooses, may do any one or more of the following:

- a. demand immediate payment or performance of any or all of the Obligations, in which case such Obligations will become immediately due and payable;
- b. sue the Mortgagor for money that is due in respect of the Obligations;
- c. take proceedings and any other legal steps to compel the Mortgagor to satisfy or perform the Obligations;
- d. enter upon and take possession of the Property;
- e. sell the Property and any other property mortgaged by the Mortgagor to the Mortgagee by public auction or private sale on terms decided by the Mortgagee, including selling the Property for cash or credit or any combination of the two:
  - (i) on thirty-five days notice to the Mortgagor if the Default has continued for fifteen days (or longer or other period, if required by Applicable Laws); or
  - (ii) without notice to the Mortgagor if the Default has continued for sixty days or more (if and to the extent permitted by Applicable Laws);
- f. lease the Property on terms decided by the Mortgagee:
  - (i) on fifteen days notice to the Mortgagor if the Default has continued for fifteen days (or longer or other period, if required by Applicable Laws); or
  - (ii) without notice to the Mortgagor if the Default has continued for thirty-one days or more (if and to the extent permitted by Applicable Laws);
- g. apply to a Court for an order that the Property be sold on terms approved by the Court;
- h. apply to a Court to foreclose the Mortgagor's interest in the Property so that when the Court makes its final order of foreclosure the Mortgagor's interest in the Property will be absolutely vested in and belong to the Mortgagee;
- i. apply to a Court to have a receiver or receiver and manager or comparable officer of the Court appointed with respect to the Property or appoint a Receiver of the Property under this Mortgage;
- j. enter upon and take possession of the Property without the permission of anyone and make any arrangements the Mortgagee considers necessary to:
  - (i) inspect, lease, collect rents or manage the Property;
  - (ii) complete the construction of any building on the Property; or
  - (iii) repair any building on the Property; and
- k. take whatever action is necessary to take, recover and keep possession of the Property.

**9.3 Powers of the Court.** Nothing in subsection 9.2 affects the jurisdiction of the Court.

**9.4 Application of Proceeds.** Any payments made in respect of the Obligations from money or other proceeds realized from the enforcement of the Mortgagee's remedies including proceeds realized under this Mortgage, may be applied and reapplied notwithstanding any previous application on such part or parts of the Obligations as the Mortgagee decides or may be held unappropriated in a separate collateral account for such time as the Mortgagee decides.

**9.5 Deficiency After Sale.** Subject to Applicable Laws, if the proceeds available from realizing upon the Property pursuant to this Mortgage are not sufficient to pay all the Obligations, the Mortgagor will pay to the Mortgagee on demand the amount of the deficiency.

**9.6 Mortgagee's Rights After Judgment.** If the Mortgagee obtains judgment against the Mortgagor as a result of a Default, the remedies described in subsection 9.2 may continue to be used by the Mortgagee to compel the Mortgagor to pay and perform the Obligations. The Mortgagee will continue to be entitled to receive interest on the Obligations, in accordance with and in the manner provided for such interest under the terms of an Agreement and this Mortgage, until the judgment is paid in full.

**9.7 No Waiver of Rights.** If the Mortgagee does not exercise any of the Mortgagee's rights on the happening of a Default or does not ask the Mortgagor to cure such Default, the Mortgagee is not prevented from later compelling the Mortgagor to cure that Default or exercising any of those rights in connection with that Default or any later Default of the same or any other kind.

## 10. CONSTRUCTION OF BUILDINGS OR IMPROVEMENTS

**10.1 No Construction, Alteration or Addition Without Consent.** The Mortgagor will not construct, alter or add to any buildings or improvements on the Property without the prior written consent of the Mortgagee, and then, only in accordance with accepted construction standards, building codes and municipal or government requirements and, if provided by any Agreement, plans and specifications approved by the Mortgagee.

**11. RENTAL AND ASSIGNMENT OF RENT**

- 11.1 Mortgagee to Approve Rental.** If the Property or any part of the Property is currently used as owner-occupied residential premises, the Mortgagor represents that no part of the Property is rented or occupied by a tenant and the Mortgagor promises not to rent, lease or enter into a tenancy agreement of any part of the Property without obtaining the Mortgagee's prior written approval, which approval may be refused at the sole discretion of the Mortgagee.
- 11.2 Assignment.** If the Property or any part of the Property is used or intended to be used as rental premises, the Mortgagor:
- a. must deliver to the Mortgagee a copy of all leases related to the Property and will provide any and all information related to the rents on the Mortgagee's request;
  - b. will only lease the Property at a value corresponding to a lease at the fair market value and will not accept payment in advance of more than one month's rent, and
  - c. assigns, as additional and separate security for the Obligations, all existing and future rents and leases relating to the Property. In particular, the Mortgagor transfers and assigns to the Mortgagee as security:
    - (i) all leases, lease agreements, sub-leases, and offers to lease, and their renewals, whether in writing or not;
    - (ii) all rents and other money payable under the terms of all such leases, sub-leases, offers to lease, and agreements; and
    - (iii) all the Mortgagor's rights under such leases, sub-leases, offers to lease, and agreements.
- 11.3 Receipt of Rents.** Notwithstanding subsection 11.2, the Mortgagee will allow the Mortgagor to receive the rents as long as the Mortgagor is not in Default. If the Mortgagee withdraws this authorization, the Mortgagee may collect such rents and revenues and will be entitled to a reasonable commission or other remuneration, which it may deduct from any amounts collected. Subsection 9.4 will apply to the proceeds of such collection by the Mortgagee.
- 11.4 Mortgagee Not Responsible.** Nothing done by the Mortgagee under this section 11 will make the Mortgagee a mortgagee in possession or will have the effect of making the Mortgagee responsible for collecting rent or complying with any terms of any lease or agreement.

**12. RECEIVER**

- 12.1 Mortgagee May Appoint Receiver.** Upon Default, the Mortgagee or the Mortgagee as agent or attorney for the Mortgagor (with no such appointment being revocable by the Mortgagor), with or without entering into possession of the Property or any part thereof, may appoint in writing a Receiver and may remove any such Receiver and appoint a new Receiver in the place and stead of any previously appointed Receiver.
- 12.2 Powers of Receiver.** Subject to Applicable Laws, the Receiver:
- a. will be deemed to be the Mortgagor's irrevocable agent or attorney, vested with all rights, powers and discretions of the Mortgagor, and the Mortgagor will be solely responsible for the Receiver's acts or omissions;
  - b. has power, either in the Mortgagor's name or in the name of the Mortgagee, to demand, recover and receive income from the Property and start and carry on any action or court proceeding to collect that income;
  - c. may lease or sublease the Property or any part of it on terms and conditions that the Receiver chooses;
  - d. may complete the construction of or repair any improvement on the Property;
  - e. may take possession of all or part of the Property;
  - f. may manage the Property and maintain it in good condition;
  - g. has the power to perform, in whole or in part, the Mortgagor's duties under the terms of the Agreements, this Mortgage and the Obligations; and
  - h. has the power to do anything that, in the Receiver's opinion, will maintain and preserve the Property or will increase or preserve the value or income potential of the Property.
- 12.3 Use of Income by Receiver.** From income received from the Property, the Receiver may, subject to Applicable Laws, in any order the Receiver chooses, (i) retain enough money to pay or recover the cost to collect the income and to cover other disbursements; (ii) retain its commission, fees and disbursements as receiver; (iii) pay all Taxes and the cost of maintaining the Property in good repair, completing the construction of any building or improvement on the Property, supplying goods, utilities and services to the Property and taking steps to preserve the Property from damage by weather, vandalism or any other cause; (iv) pay any money for matters required to be paid by the Receiver under Applicable Laws, or that might, if not paid, result in a default under any charge or encumbrance having priority over this Mortgage or that might result in the sale of the Property if not paid; (v) pay Taxes in connection with anything the Receiver is entitled to do under this Mortgage; (vi) pay interest to the Mortgagee that is due and payable; (vii) pay all or part of the Obligations to the Mortgagee whether or not it is due and payable; (viii) pay any other money owed by the Mortgagor under this Mortgage; and (ix) pay insurance premiums.
- 12.4 Receiver May Borrow.** The Receiver may borrow money for the purpose of doing anything the Receiver is authorized to do.
- 12.5 Mortgagor Responsible for Borrowing by Receiver.** Any money borrowed by the Receiver from the Mortgagee, and any interest charged on that money and all the costs of borrowing, will form part of the Obligations and will bear interest at the rate and to be paid with the frequency provided under the applicable terms upon which such money was borrowed.
- 12.6 Receiver's Costs and Expenses.** The fees and disbursements of the Receiver, if paid by the Mortgagee, will form part of the Obligations and will bear interest according to the terms of any applicable Agreement and this Mortgage.
- 12.7 Mortgagee Not Responsible.** Nothing done by the Receiver under this section 12 will make the Mortgagee a mortgagee in possession, and the Mortgagor hereby releases and discharges the Mortgagee and every Receiver from every claim of every nature, whether sounding in damages for negligence or trespass or otherwise, which may arise or be caused to the Mortgagor or any Person claiming through or under it by reason or as a result of anything done by the Mortgagee or any Receiver under the provisions of this section 12. The Mortgagor agrees to ratify and confirm all actions of any Receiver taken or made pursuant to this provision and agrees that neither the Receiver nor the Mortgagee will be liable for any loss sustained by the Mortgagor or any other Person resulting from any such action or failure to act.

**13. STRATA LOT/CONDOMINIUM PROVISIONS**

- 13.1 Strata Lot/Condominium Provisions.** This section 13 applies if the Property is or becomes a strata lot or condominium property under the Applicable Laws. The Mortgagor will comply with this section 13 in addition to all other terms of this Mortgage and Applicable Laws.
- 13.2 Mortgagor Will Obey Strata/Condominium Rules.** The Mortgagor will perform all of the Mortgagor's obligations as a strata lot/condominium owner under the Applicable Laws and the declaration, bylaws, rules and regulations of the strata/condominium corporation (the "Strata/Condominium Documents") and will pay all money owed by the Mortgagor to the strata/condominium corporation.
- 13.3 Insurance.** The Mortgagor will cause the strata/condominium corporation to insure the Property and the common property (or common elements), in accordance with the Applicable Laws. In addition, the Mortgagee agrees that the provisions of the Applicable Laws regarding the insurance proceeds will prevail notwithstanding subsection 6.1(k).
- 13.4 Right to Vote.** The voting rights of the Mortgagor as owner are exercisable by the Mortgagee on written notice to the strata/condominium corporation as provided by the Applicable Laws, but the Mortgagee is not required to attend meetings of the strata/condominium corporation or to exercise such rights, whether or not notice is given. The Mortgagor hereby irrevocably assigns all voting rights to the Mortgagee, provided until the Mortgagee gives written notice of this Mortgage to the strata/condominium corporation, the Mortgagor may exercise voting rights.
- 13.5 Mortgagor to Supply Copies of Documents.** At the request of the Mortgagee, the Mortgagor will give the Mortgagee copies of all notices, financial statements and other documents given by the strata/condominium corporation to the Mortgagor.
- 13.6 Mortgagee is Mortgagor's Agent.** The Mortgagor appoints the Mortgagee to be the Mortgagor's agent to inspect or obtain copies of any records or other documents of the strata/condominium corporation that the Mortgagor is entitled to inspect or obtain, including the amount of any assessments or payments due to the strata/condominium corporation by the Mortgagor. The Mortgagee is entitled to make inquiries as to the status of the Mortgagor's common expense contributions.
- 13.7 Default.** There is a Default if the strata/condominium corporation transfers, charges or adds to the common property (or common elements), or amends its Strata/Condominium Documents without the consent of the Mortgagee, and if, in the Mortgagee's opinion, the value of the Property is reduced.
- 13.8 Mortgagee May Require Payment.** At the option of the Mortgagee, and subject to compliance with Applicable Laws, there is a Default if:
- governance of the property of the strata/condominium corporation under the Applicable Laws is terminated or wound up as described in the Applicable Laws or the Strata/Condominium Documents;
  - a vote of the strata lot/condominium owners authorizes the sale of the property of the strata/condominium corporation or of a part of its common property (or common elements);
  - the strata/condominium corporation fails to comply with the Applicable Laws or the Strata/Condominium Documents;
  - the strata/condominium corporation fails to insure the strata lots/condominium units and common property (or common elements) against destruction or damage by fire and other perils usually insured against for full replacement cost; or
  - the strata/condominium corporation fails, in opinion of the Mortgagee, to manage its property and assets in a careful way or to maintain its assets in good repair.
- 13.9 Strata Lot/Condominium Expense Default.** Where the Mortgagor defaults in the obligation to contribute to the administrative expenses assessed or levied by the strata/condominium corporation, or any authorized agent on its behalf, or any assessment, instalment or payment due to the strata/condominium corporation or upon breach of any covenant or the provisions herein before in this subsection 13.9 contained, regardless of any other action or proceeding taken or to be taken by the strata/condominium corporation, the Mortgagee, may at its sole option and discretion and without notice to the Mortgagor:
- pay such expenses or levies and add any such payments to the Obligations and such amounts will bear interest according to the terms of any applicable Agreement and this Mortgage; or
  - deem such default to be a Default under this Mortgage.
- Upon Default and notwithstanding any other right or action of the strata/condominium corporation or of the Mortgagor, the Mortgagee may distrain for arrears of any assessments, instalments or payments due to the Mortgagee or arising under this provision.
- 13.10 Mortgagee Not Responsible.** Nothing done by the Mortgagee under this section 13 will make the Mortgagee a mortgagee in possession.

**14. SUBDIVISION**

- 14.1 Effect of Subdivision.** If the Property is subdivided:
- this Mortgage will charge each subdivided lot as security for payment and performance of all of the Obligations; and
  - the Mortgagee is not required to discharge this Mortgage as a charge on any of the subdivided lots unless all the Obligations are paid and performed.

**15. SPOUSE OF THE MORTGAGOR**

- 15.1 Consent of Spouse.** Unless such affidavits and other documents are separately delivered to the Mortgagee as required under Applicable Laws to release to the Mortgagee any claim or interest of a Spouse in and to the Property, any Spouse who is signing the Mortgage Form consents to the granting of this Mortgage by the Mortgagor and releases to the Mortgagee any claim or interest that the Spouse has or may have in the Property under Applicable Laws as far as such release is necessary to give effect to the Mortgagee's rights under this Mortgage.

**16. GENERAL**

- 16.1 Who this Mortgage Binds.** This Mortgage binds the Mortgagor, a Spouse (if any Spouse is signing the Mortgage Form) and their respective heirs, personal representatives, successors, executors, administrators and assigns.

- 16.2 Amendments.** Any agreement to make material changes to this Mortgage will apply to those who agree to the changes in writing.
- 16.3 Joint and Several Obligations.** Each Person who signs this Mortgage as a Mortgagor is jointly and severally liable for the payment and performance of all of the Obligations.
- 16.4 Unenforceable Provisions.** If any part of this Mortgage is not enforceable or invalid, all other parts of this Mortgage will remain in full effect and be enforceable against the Mortgagor.
- 16.5 Mortgagee May Make Changes.** The Mortgagee may, without consent or notice, assign, grant security interests in or otherwise dispose of all or some of the Obligations or this Mortgage.
- 16.6 Responsibility of Mortgagee.** The Mortgagee is only liable to the Mortgagor for the Mortgagee's willful misconduct or gross negligence.
- 16.7 Mortgagee May Delegate.** The Mortgagee may delegate the exercise of its rights or the performance of its obligations to another Person. In that event, the Mortgagee may furnish that Person with any information it may have concerning the Mortgagor or the Property.
- 16.8 Headings.** Headings in the Mortgage do not form part of this Mortgage but are used only for easy reference.
- 16.9 Interpretation.** In this Mortgage, the singular includes the plural and vice versa.
- 16.10 Conflicts Between Documents.** If there is a conflict between any provision of this Mortgage and any Agreement, the relevant provision in the Agreement will prevail to the extent of the conflict.
- 16.11 Further Assurances of the Mortgagor.** At the request of the Mortgagee, the Mortgagor will execute such further documents as may be required by the Mortgagee to more fully give effect to this Mortgage.
- 16.12 Extent of Estate.** For better securing to the Mortgagee the payment and the performance of the Obligations, the Mortgagor hereby mortgages to the Mortgagee all of the Mortgagor's estate and interest in the Property.
- 16.13 Power of Attorney.** In consideration of the mutual promises of the Mortgagee and the Mortgagor in this Mortgage, the Mortgagor grants to the Mortgagee, with full power of substitution, an irrevocable power of attorney coupled with an interest to perform any action or to sign any document required to allow the Mortgagee to fully exercise the rights granted under this Mortgage or any Agreement and to deal with the Property. The Mortgagor ratifies in advance all actions of the Mortgagee pursuant to such power of attorney and confirms that the Mortgagee is not liable for any loss sustained by the Mortgagor or any other Person resulting from any such action or any failure to act.
- 16.14 Rights and Remedies.** The Mortgagee may exercise all rights and remedies in this Mortgage, any Agreement or under Applicable Laws, concurrently, cumulatively, independently and in such order and combination and at such times as the Mortgagee sees fit. In doing so, the Mortgagee is not obligated to exhaust any one right or remedy before exercising any of its other rights or remedies.
- 16.15 Property Located in Saskatchewan.** If the Property is located in Saskatchewan and the Mortgagor is a corporation:
- The Land Contracts (Actions) Act* of Saskatchewan shall have no application to any "action", as defined in that Act, with respect to this Mortgage; and
  - The Limitation of Civil Rights Act* of Saskatchewan shall have no application to this Mortgage or any Agreement or to the Mortgagee and any other Person who may have rights, powers or remedies under this Mortgage or any Agreement.
- 16.16 Property Located in British Columbia.** If the Property is located in British Columbia:
- The right of consolidation described in subsection 7.12 hereof shall apply to the Mortgage and to any other mortgages and/or charges given by the Mortgagor to the Mortgagee notwithstanding section 31 of the *Property Law Act*, R.S.B.C. 1996 c. 377, as amended or replaced from time to time.
  - Clause 15 of Schedule 6 of the *Land Transfer Form Act*, R.S.B.C. 1996 c. 252, as amended or replaced from time to time, is expressly excluded from this Mortgage.
- 16.17 Property Located in Alberta.** If the Property is located in Alberta:
- Expropriation Act (Alberta):** The Mortgagor acknowledges that it has been fully instructed and advised as to the meaning of sections 49 and 52 of the *Expropriation Act (Alberta)*, and hereby waives the provisions of sections 49 and 52 of the *Expropriation Act (Alberta)* and any legislation enacted in place thereof.
  - Waiver of Insurance Statutes:** The Mortgagor hereby irrevocably waives any and all statutory provisions which may require that proceeds of insurance be used, or permit an insurer to use proceeds of insurance, to restore or rebuild, including the *Fires Prevention (Metropolis) Act, 1774* and the *Insurance Act (Alberta)*.
- 16.18 Governing Law.** This Mortgage shall be governed in all respects by the laws of the Province where the Property is situated and the laws of Canada applicable therein.

**SCHEDULE 1  
LEASEHOLD MORTGAGE**

1. **Definition.** For the purposes of this Schedule 1, "Lease" means a lease, or any sublease, pursuant to which the Mortgagor has a leasehold interest, if any, in the Property;
2. **Application to Leases.** If all or any part of the Property is held by way of a leasehold interest, this Schedule forms part of this Mortgage and this Mortgage is to be construed as a charge upon the unexpired term of the Lease less the last day of that term.
3. **Mortgagor Promises.** The Mortgagor represents to the Mortgagee that:
  - a. the Mortgagor has provided to the Mortgagee a true and complete copy of the Lease;
  - b. the Lease is held by the Mortgagor subject only to those charges and encumbrances that are registered in the appropriate registry of deeds, land titles or land registration office at the time the Mortgagor signs this Mortgage;
  - c. the Lease is in good standing;
  - d. the Mortgagor has complied with all the Mortgagor's promises and agreements contained in the Lease;
  - e. the Mortgagor has paid all rent that is due and payable under the Lease;
  - f. the Lease is not in default; and
  - g. the Mortgagor has the right to mortgage the Lease to the Mortgagee.
4. **Mortgagor's Obligation.** Where the interest mortgaged is a leasehold interest, the Mortgagor will:
  - a. comply with the Lease and not do anything that would cause the Lease to be terminated;
  - b. immediately give to the Mortgagee a copy of any notice or request received from the landlord;
  - c. maintain the Lease in good standing, and to renew the Lease or enter into a new lease agreement for the Property from time to time, so long as the Mortgage or Obligations are outstanding;
  - d. immediately notify the Mortgagee if the landlord advises the Mortgagor of the landlord's intention to terminate the Lease before the term expires; and
  - e. sign any other document the Mortgagee requires to ensure that any greater interest in the Property that is acquired by the Mortgagor is charged by this Mortgage.
5. **Default Under Lease.** Any default under the Lease is a Default under this Mortgage.
6. **No Changes to Lease.** The Mortgagor promises the Mortgagee that the Mortgagor will not, without first obtaining the written consent of the Mortgagee:
  - a. surrender or terminate the Lease; or
  - b. agree to change the terms of the Lease.
7. **Mortgagee May Perform.** The Mortgagee may perform any promise or agreement of the Mortgagor under the Lease. Any amounts paid by the Mortgagee pursuant to the Lease shall be added to and form part of Costs.
8. **Mortgagee Not Responsible.** Nothing done by the Mortgagee under this Schedule 1 will make the Mortgagee a mortgagee in possession.

END OF SET

This is **Exhibit "F"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



\_\_\_\_\_  
A Commissioner for the taking of Affidavits for  
British Columbia





NATIONAL  
BANK  
OF CANADA

THIS GENERAL SECURITY AGREEMENT DATED the 12 day of December, 2019.

BRANCH ADDRESS: 311 6<sup>th</sup> Avenue SW, 6<sup>th</sup> Floor, Calgary, AB T2P 3H2

## 1. DEFINITIONS

The following definitions shall apply herein:

- (a) "Act" means the Personal Property Security Act of the Province of British Columbia in effect on the date hereof;
- (b) "Accessions", "Account", "Account Debtor", "Chattel Paper", "Consumer Goods", "Document of Title", "Equipment", "Financing Change Statement", "Financing Statement", "Goods", "Instrument", "Intangible", "Inventory", "Investment Property", "Money" and "Purchase Money Security Interest" shall have the meanings ascribed to them in the Act and shall be deemed to include both the singular and plural of such terms. All other capitalized words or terms used herein, unless otherwise defined herein, shall have the meanings ascribed to them in the Act and the Regulations passed pursuant thereto;
- (c) "Agreement", "herein", and similar expressions refer to the whole of this Security Agreement and not to any particular section or other portion thereof and extend to and include every instrument which amends or supplements this Agreement;
- (d) "Collateral" means all present and after-acquired personal property of the Debtor of whatever kind and wherever situate located on or exclusively related to any of the Real Property, including, without limiting the generality of the foregoing, those specific items, if any, described on the attached Schedule "A" together with all documents, writings, papers, books of account and records relating to the foregoing and all rights and interests therein, but shall not include:
  - (i) the last day of any term of years reserved by any lease, verbal or written, or any agreement therefor now or hereafter held by the Debtor, it being the intention that the Debtor shall stand possessed of the reversion remaining in respect of any leasehold interest forming part of the Collateral upon trust to assign and dispose thereof as the Lender may after default direct;
  - (ii) Consumer Goods, or
  - (iii) those specific items, if any, described on the attached Schedule "B";
- (e) "Credit Agreement" has the meaning ascribed to such term in Schedule "D" attached hereto;
- (f) "Debtor" means **BY THE BAY HOME DEVELOPMENT LTD.**
- (g) "Default" means the happening of any one or more of the events or conditions described in section 7 and such term shall be deemed to include each, any, or all such events or conditions, whether any such event is voluntary or involuntary or is effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any Court or any order, rule or regulation of any administrative or governmental body;
- (h) "Indebtedness" means and includes any and all obligations, indebtedness and liability of the Debtor to the Lender, (including but not limited to principal, interest and all costs on a full indemnity basis) under or pursuant to the Credit Agreement, together with any ultimate unpaid balance thereof, whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, and whether the Debtor is bound alone or with another or others and whether as principal or surety;
- (i) "Lender" means **NATIONAL BANK OF CANADA;**

- (j) **"Permitted Encumbrances"** means those specific security interests, whether by way of mortgage, lien, claim, charge or otherwise, listed on Schedule "A" or hereafter approved in writing by the Lender prior to their creation or assumption;
- (k) **"Proceeds"** shall have the meaning ascribed to it in the Act and shall be interpreted to include bank accounts, cash, trade-ins, Equipment, notes, Chattel Paper, Goods, contractual rights, Accounts and any other personal property or obligation received when Collateral or Proceeds thereof are sold, exchanged, collected or otherwise disposed of;
- (l) **"Real Property"** means all of the Debtor's right, title and interest in and to the real property legally described in Schedule "E" attached hereto and all interests therein, and all easements, right-of-way, privileges, benefits, licenses, improvements and rights whether connected therewith or appurtenant thereto or separately owned or held, including all structures, plant or other fixtures;
- (m) **"Receiver"** means any one or more persons (whether officers of the Lender or not), firms or corporations appointed pursuant to subsection 9(f) and shall be deemed to include a receiver, manager, receiver-manager or receiver and manager; and
- (n) **"Security Interest"** means the security interest granted by the Debtor to the Lender pursuant to this Agreement; and
- (o) **"Specifically Described Collateral"** means those items, if any, described in Schedule "A" which comprise part of the Collateral.

## 2. GRANT OF SECURITY INTEREST

For value received (the receipt and sufficiency of which is hereby acknowledged):

- (a) the Debtor hereby grants, assigns, conveys, mortgages, pledges and charges, as and by way of a specific mortgage, pledge and charge and grants a continuing Security Interest to and in favor of the Lender in the Collateral (other than Real Property); and
- (b) the Debtor hereby charges the Real Property as and by way of a floating charge.

## 3. INDEBTEDNESS SECURED

The Security Interest secures payment and satisfaction of the Indebtedness; provided however, that if the Security Interest in the Collateral is not sufficient to satisfy the Indebtedness of the Debtor in full, the Debtor agrees that the Debtor shall continue to be liable for any Indebtedness remaining outstanding and the Lender shall be entitled to pursue full payment and satisfaction thereof.

## 4. ATTACHMENT OF SECURITY INTEREST

The Security Interest shall attach to the Collateral at the earliest possible moment in accordance with the Act, there being no intention on the part of the Debtor and the Lender that it attach at any later time.

## 5. REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

The Debtor represents and warrants, and as long as this Agreement remains in effect shall be deemed to continuously represent and warrant, that:

- (a) the Debtor is duly organized, existing and in good standing under the laws of its incorporating jurisdiction and of each other jurisdiction in which the nature of its activities make such necessary;
- (b) the Debtor has the right, power and authority to enter into this Agreement and to grant the Security Interest;
- (c) the execution, delivery and performance of this Agreement have been duly organized by all necessary corporate action and are not in contravention of any Instrument by which the Debtor has been incorporated or continued, any instrument amending any such instrument, any internal regulation of the Debtor, any law, or any indenture, agreement or undertaking to which the Debtor is a party or by which it is bound;
- (d) the Debtor has not previously carried on business, does not currently carry on business, and shall not, without the prior written consent of the Lender, in the future carry on business under any name other than the name set forth in paragraph 1(f);
- (e) the Collateral is genuine and is legally and beneficially owned by the Debtor free of all security interest except for the Security Interest and the Permitted Encumbrances;
- (f) the description of the Specifically Described Collateral, whether contained herein or provided elsewhere by the Debtor to the Lender, is complete and accurate and all serial numbers affixed or ascribed to any of the Collateral have been provided to the Lender;
- (g) each Chattel Paper, Intangible and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same ("Account Debtor"), the amount represented by the Debtor to the Lender from time to time as owing by each Account Debtor shall be the correct amount owing unconditionally by such Account Debtor, and no Account Debtor shall have any defence, set-off, claim or counterclaim against the Debtor which can be asserted against the Lender, whether in any proceedings to enforce the Collateral or otherwise;
- (h) the locations specified in the attached Schedule "C" as to business operations and records are accurate and complete and, except for Goods in transit to such locations and Inventory on lease or consignment, all Collateral shall be situate at one of such locations;
- (i) all financial statements, certificates and other information concerning the Debtor's financial condition or otherwise from time to time furnished by the Debtor to the Lender are and shall be in all respects complete, correct and fair representations of the affairs of the Debtor stated in accordance with generally accepted accounting principles applied on a consistent basis;
- (j) there has not been and shall not be a material adverse change in the Debtor's position, financial or otherwise, from that indicated by the financial statements which have been delivered to the Lender;
- (k) there are no actions, suits or proceedings pending or, to the knowledge of the Debtor, threatened against the Debtor except as have been disclosed in writing to and approved by the Lender, and
- (l) none of the Collateral is or shall be Consumer Goods.

## 6. COVENANTS OF THE DEBTOR

The Debtor covenants:

- (a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein and to keep the Collateral free from all security interests except for the Security Interest and the Permitted Encumbrances and as otherwise permitted by the Credit Agreement;
- (b) except as expressly permitted herein or as otherwise provided in the Credit Agreement, not to sell, exchange, transfer, assign, destroy, lease or otherwise dispose of the Collateral or any interest therein without the prior written consent of the Lender;
- (c) except as expressly permitted herein, not to move the Collateral from its current location, as indicated on Schedule "C", without the prior written consent of the Lender;
- (d) to assemble and deliver the Collateral to the Lender at such location as the Lender may direct;
- (e) to notify the Lender promptly in writing of:
  - (i) any change in the information contained in this Agreement including any information relating to the Debtor (including its name), the Debtor's business, the Collateral, or the locations of the Collateral or the records of the Debtor, so that the Lender shall be constantly advised of all places where the Debtor conducts its business, maintains the Collateral and maintains its records,
  - (ii) the details of any significant acquisition of Collateral (including serial numbers where required under the Act in connection with registration or as otherwise requested by the Lender), and for the purposes of this Agreement "significant" shall mean any item or items the value of which exceeds in the aggregate \$50,000,
  - (iii) the removal of any of the Collateral to any jurisdiction in which any registration of, or in respect of, this Agreement may not be effective to protect the Security Interest, and in the case of such removal to provide the Lender with a written certificate stating the time of removal, what is being removed and the intended new locality of such Collateral, and to assist the Lender in effecting such further registrations as may be required by the Lender to protect its Security Interest; provided however that this provision shall not be construed as a waiver of any prohibition against removal or relocation of Collateral contained elsewhere in this Agreement, nor shall it be construed as permission to do so,
  - (iv) the details of any claims or litigation affecting the Debtor or the Collateral of which the Debtor is aware,
  - (v) any loss or damage to the Collateral of which the Debtor is aware,
  - (vi) any Default by an Account Debtor in payment or other performance of its obligations with respect to any Collateral of which the Debtor is aware, and
- (f) to keep all of its property, including the Collateral, in good order, condition and repair and not to use the Collateral in violation of the provisions of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance having jurisdiction over the same;
- (g) to execute, acknowledge and deliver such further agreements and documents supplemental hereto (including financing statements, further schedules to this Agreement, assignments and transfers) and to do all acts, matters and things as may be requested by the Lender in order to give effect to this Agreement and to perfect the Security Interest, including but not limited to any of the same which may be required to correct or amplify the description of any Collateral or for any other purpose not inconsistent with the terms of this Agreement;

- (h) subject to the terms and conditions of the Credit Agreement, to pay all costs and expenses on a full indemnity basis (including legal fees as between a solicitor and his own client) incidental to:
- (i) the preparation, execution and filing of this Agreement,
  - (ii) maintaining, protecting and defending the Collateral, the Security Interest, and all of the Lender's rights and interests arising pursuant to this Agreement, and
  - (iii) the exercise of any rights or remedies of the Lender pursuant to this Agreement, including but not limited to the costs of the appointment of a Receiver and all expenditures incurred by such Receiver, the cost of any sale proceedings (whether the same prove abortive or not), and all costs of inspection, and all other costs and expenses incurred by the Lender in connection with or arising out of, directly or indirectly, this Agreement, all without limitation. All such costs and expenses shall be payable by the Debtor immediately upon demand from the Lender and until paid shall bear interest from the date incurred by the Lender at the highest rate of interest then chargeable by the Lender to the Debtor on any of the Indebtedness. The amount of all such costs and expenses shall be added to the Indebtedness and shall be secured by this Agreement;
- (i) to punctually pay and discharge all taxes, rates, levies, assessments and other charges of every nature which might result in any lien encumbrance, right of distress, forfeiture or termination or sale, or any other remedy being enforced against the Collateral and to provide to the Lender satisfactory evidence of such payment and discharge;
  - (j) to maintain its corporate existence, and to diligently preserve all its rights, licenses, powers, privileges, franchises and goodwill;
  - (k) to observe and perform all of its obligations and comply with all conditions under leases, licenses and other agreements to which it is a party or pursuant to which any of the Collateral is held;
  - (l) to carry on and conduct its business in an efficient and proper manner so as to preserve and protect the Collateral and income therefrom;
  - (m) to keep, in accordance with generally accepted accounting principles consistently applied, proper books of account and records of all transactions in relation to its business and the Collateral;
  - (n) to observe and conform to all valid requirements of law and of any governmental or municipal authority relating to the Collateral or the carrying on by the Debtor of its business;
  - (o) at all reasonable times, to allow the Lender access to its premises in order to view the state and condition of its property and to inspect its books and records and make extracts therefrom;
  - (p) to insure the Collateral for such periods, in such amounts, on such terms, with such insurers and against such loss or damage by fire and other such risks as the Lender reasonably directs, with loss payable to the Lender and the Debtor as insureds, as their respective interests may appear, to pay all premiums therefore, to deliver evidence of the same on request, and to do all acts necessary to obtain payment to the Lender of any insurance proceeds;
  - (q) to prevent the Collateral from being or becoming an Accession or a Fixture to other property not covered by this Agreement or other security granted by the Debtor in favour of the Lender;
  - (r) to deliver to the Lender from time to time promptly upon request:
    - (i) any Documents of Title, Instruments, Investment Property and Chattel Paper constituting the Collateral;
    - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral,

- (iii) all financial statements prepared by or for the Debtor regarding its business, or, where the Debtor is an individual, all tax returns and such personal financial statements as the Lender may request;
- (iv) all policies and certificates of insurance relating to the Collateral, and
- (v) such further information concerning the Collateral, the Debtor and the Debtor's business and affairs as the Lender may request;
- (s) not to change the present use of the Collateral; and
- (t) to comply with all other requirements of the Lender, whether in the nature of positive or negative covenants, as may be communicated by the Lender to the Debtor from time to time, including but not limited to those additional covenants, terms, and conditions, if any, contained on the attached Schedule "D".

## 7. EVENTS OF DEFAULT

The following constitute Default (subject to any applicable curative provisions of section 9.1 of the Credit Agreement):

- (a) non-payment when due, whether by acceleration or otherwise, of any principal or interest forming part of the Indebtedness;
- (b) failure of the Debtor to perform or observe any obligation, covenant, term, provision or condition contained in this Agreement or any other agreement, security instrument or other document made by the Debtor with or in favour of the Lender or any other person, firm or corporation;
- (c) the death of or declaration of incompetency by a Court of competent jurisdiction with respect to the Debtor, if an individual;
- (d) the Debtor becomes insolvent or makes a voluntary assignment or proposal in bankruptcy or otherwise acknowledges its insolvency, a bankruptcy petition is filed or presented against the Debtor, the making of an authorized assignment for the benefit of the creditors of the Debtor, the appointment of a receiver, receiver-manager, receiver and manager or trustee for the Debtor or any assets of the Debtor, or the institution by or against the Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act, Companies' Creditors Arrangement Act or similar legislation in any jurisdiction;
- (e) any act, matter or thing being done toward, or the commencement of any action or proceeding for, terminating the corporate existence of the Debtor, or if the Debtor is a partnership, the existence of the partnership, whether by way of winding-up, surrender of charter or otherwise;
- (f) any encumbrance or security interest affecting the Collateral becomes enforceable;
- (g) the Debtor ceases or threatens to cease to carry on its business or makes or proposes to make a bulk sale of its assets or any sale of the Collateral other than as expressly permitted herein;
- (h) any execution or other process of any Court becomes enforceable against the Debtor or a distress or analogous process is levied upon the assets of the Debtor or any part thereof (whether or not forming part of the Collateral);
- (i) the Debtor permits any amount which has been admitted as due by it or is not disputed to be due by it and which forms, or is capable of being made, a charge upon the Collateral in priority to, or *pari passu* with, the charge created by this Agreement to remain unpaid for thirty (30) days after proceedings have been taken to enforce the same;

- (j) the Debtor allows any amount outstanding from it to the Crown pursuant to any federal or provincial statute to remain unpaid for thirty (30) days or more;
- (k) a corporate dispute occurs within the Debtor, if a corporation, (whether between or among its shareholders, directors, officers, employees or otherwise) which may hamper the business operations of the Debtor or otherwise adversely affect, in the sole opinion of the Lender, the Debtor's business, assets or the Collateral;
- (l) any representation or warranty furnished by or on behalf of the Debtor pursuant to or in connection with this Agreement (regardless of the form thereof or whether contained herein or elsewhere), whether as an inducement to the Lender to extend any credit to or to enter into this or any other agreement with the Debtor or otherwise proves to have been false or misleading as of the day made in any material respect or to have omitted any substantial contingent or unliquidated liability or claim against the Debtor;
- (m) there is any material adverse change in any of the facts disclosed to the Lender, in the Debtor's position (financial or otherwise), or in the nature and value of the Collateral; or
- (n) the Lender considers or deems, in its sole opinion, that the Security Interest and the Collateral are not sufficient security in relation to the extent of the Indebtedness.

For the purposes of Section 203 of the *Land Title Act* (British Columbia), the floating charge created by this Security Agreement over Real Property shall become a fixed charge thereon upon the earlier of:

- (a) the occurrence of an event described in clause 7(d), (e), (f), (g), or (h); or
- (b) the Lender taking any action pursuant to clause 9 to enforce and realize on the Security Interests created by this Security Agreement.

#### 8. ACCELERATION/DEFAULT

In the event of Default the Lender, in its sole discretion, may declare all or any part of the Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind. The provisions of this clause shall not in any way affect any rights of the Lender with respect to any Indebtedness which may now or hereafter be payable on demand.

#### 9. REMEDIES

Upon Default the Lender shall have the following rights and powers, which the Lender may exercise immediately:

- (a) to enter upon the premises of the Debtor or any other premises where the Collateral may be situated and to take possession of all or any part of the Collateral, by any method permitted by law, to the exclusion of all others, including the Debtor, its directors, officers, agents and employees, and the Debtor hereby waives and releases the Lender and any Receiver from all claims in connection therewith or arising therefrom;
- (b) to remove all or any part of the Collateral to such place as the Lender deems advisable;
- (c) to preserve and maintain the Collateral and to do all such acts incidental thereto as the Lender considers advisable, including but not limited to making replacements and additions to the Collateral;
- (d) to collect, demand, sue on, enforce, recover and receive Collateral and give receipts and discharges therefore, and may do any such act and take any proceedings related thereto in the name of the Debtor or otherwise as the Lender considers appropriate;

- (e) to sell, lease, or otherwise dispose of the Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as the Lender deems reasonable (including without limitation, by deferred payment) all in the Lender's absolute discretion and without the concurrence of the Debtor; provided however, that the Lender shall not be required to do so and it shall be lawful for the Lender to use and possess the Collateral for any and all purposes and in any manner the Lender sees fit, all without hindrance or interruption by the Debtor or any other person or persons, provided however that none of the foregoing shall prejudice the Lender's right to pursue the Debtor for recovery in full of the amount of the Indebtedness, including the amount of any deficiency owing after the application of the proceeds of realization (and to the extent permitted by laws, the Debtor waives its rights to the protection afforded by any rule of law or legislation respecting such deficiency);
- (f) to appoint by instrument in writing, with or without bond, or by application to any Court of competent jurisdiction, a Receiver of the Collateral and to remove any Receiver so appointed and appoint another or others in his stead. Any such Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of the Debtor and not of the Lender and the Lender shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his agents, servants or employees. Subject to the provisions of the instrument appointing him, any such Receiver shall have the power to take possession of the Collateral, to preserve the Collateral or its value, to carry on or concur in carrying on all or any part of the business of the Debtor and to sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of the Collateral (including dispositions by way of deferred payment). To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others including the Debtor, enter upon, use and occupy all premises owned or occupied by the Debtor where Collateral may be situated, to employ and discharge such employees, agents or professional advisors as the Receiver deems advisable, to enter into such compromises, arrangements or settlements as the Receiver deems advisable, to borrow or otherwise raise money on the security of the Collateral and to issue Receiver's certificates and do all such other acts as the Receiver deems advisable in connection with any of the powers referred to herein. Except as may be otherwise directed by the Lender, all monies received from time to time by the Receiver in carrying out his appointment shall be received in trust for and paid over to the Lender. In addition, every Receiver may, at the discretion of the Lender, be vested with all or any of the rights and powers of the Lender under the Act or any other applicable legislation or under this Agreement or any other agreement;
- (g) to rescind or vary any contract for sale, lease or other disposition that the Debtor or the Lender may have entered into and to resell, release or redispense of the Collateral;
- (h) to deliver to any purchasers of the Collateral good and sufficient conveyances or deeds for the same free and clear of any claim by the Debtor. For such purposes, the purchaser or lessee receiving any disposition of the Collateral need not inquire whether Default under this Agreement has actually occurred but may as to this and all other matters rely upon a statutory declaration of an officer of the Lender, which declaration shall be conclusive evidence as between the Debtor and such purchaser or lessee, and any such disposition shall not be affected by any irregularity of any nature or kind relating to the enforcement of this Agreement or the exercise of the rights and remedies of the Lender;
- (i) to exercise any of the powers and rights given to a Receiver pursuant to this Agreement;
- (j) to provide written notice to the Debtor that all the powers, functions, rights and privileges of the directors and officers of the Debtor with respect to the Collateral, business and undertaking of the Debtor have or shall cease as of the date notified therein, except to the extent specifically continued at any time by the Lender in writing; and
- (k) to take the benefit of or to exercise any other right, proceeding or remedy authorized or permitted at law or in equity, whether as a secured party pursuant to the Act as the same is in force from time to time or otherwise.



All rights and remedies of the Lender are cumulative and may be exercised at any time and from time to time independently or in combination. No delay or omission by the Lender in exercising any right or remedy shall operate as a waiver thereof or of any other right or remedy, and no singular partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Provided always that the Lender shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, maintain, lease or otherwise dispose of the Collateral, or to institute any proceedings for such purposes. The Lender shall have no obligation to take any steps to preserve rights against other parties, shall have no obligations to exercise any of the rights and remedies available to it on Default and shall not be liable or accountable for not exercising any such rights and remedies.

The Lender may waive any Default but no such waiver shall be effective unless made in writing and signed by an authorized officer of the Lender. Any such waiver shall not extend to, or be taken in any manner whatsoever to affect, any subsequent Default or the rights resulting therefrom.

By its acceptance of this Agreement, the Lender acknowledges that it shall not, except in the case of the bankruptcy of the Debtor, enforce this Security Agreement against any personal property of the Debtor used solely for the personal or household use and enjoyment of the Debtor or the Debtor's immediate family.

#### 10. LENDER MAY REMEDY DEFAULT

The Lender shall have the right, but shall not be obliged to, remedy any Default of the Debtor and all sums thereby expended by the Lender shall be payable immediately by the Debtor, together with interest thereon at the highest rate of interest then chargeable by the Lender to the Debtor on any portion of the Indebtedness. All such sums shall be added to the Indebtedness and shall be secured by this Agreement. In no case shall the exercise of the Lender's rights pursuant to this Section 10 be deemed to relieve the Debtor from such Default or be deemed a waiver of such Default or of any other prior or subsequent Default.

#### 11. USE OF COLLATERAL

Subject to compliance with the Debtor's covenants contained herein and to the following provisions of this Section 11, until Default the Debtor may:

- (a) in the case of Equipment, dispose of the same for the purpose of immediately replacing it by other Equipment of a similar nature or of a more useful or convenient character and of at least equal value;
- (b) in the case of Inventory and Money, dispose of the same in the ordinary course of the business of the Debtor and for the sole purpose of carrying on the same; and
- (c) otherwise possess, collect, use, enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not expressly or impliedly prohibited herein or otherwise inconsistent with the provisions of this Agreement.

Notwithstanding the foregoing:

- (a) before or after Default the Lender may notify all or any Account Debtors and may direct such Account Debtors to make all payments owed in respect of the Collateral directly to the Lender; and
- (b) the Debtor agrees that any payments on or other Proceeds of Collateral received by the Debtor, whether before or after Default, shall be received and held by the Debtor in trust for the Lender and shall be turned over to the Lender upon request.

If the Collateral at any time includes Investment Property, the Debtor authorizes the Lender to transfer the same or any part thereof into its own name or that of its nominees so that the Lender or its nominees may appear on record as the sole owner thereof; provided however that until Default the Lender shall deliver to the Debtor all notices or other communications received by it or its nominees as registered

owner and upon demand and receipt of payment of any necessary expenses shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. However, the Debtor waives all rights to receive any notices or communications in respect of such Investment Property and agrees that no proxy issued by the Lender to the Debtor or its order as aforesaid shall thereafter be effective.

## 12. APPROPRIATION OF PAYMENTS

All payments made at any time in respect of the Indebtedness and all Proceeds realized from any Investment Property held therefore may be applied (and reapplied from time to time notwithstanding any previous application) in such manner as the Lender sees fit or, at the option of the Lender, may be held unappropriated in a collateral account or released to the Debtor all without prejudice to the rights of the Lender hereunder, including the Lender's right to collect from the Debtor the amount of any deficiency remaining after application of all such payments and Proceeds.

## 13. POWER OF ATTORNEY AND AUTHORIZATION TO FILE

The Debtor hereby authorizes the Lender to file such Financing Statements and other documents and do such acts, matters and things (including completing and adding schedules to this Agreement identifying Collateral or locations) as the Lender from time to time deems appropriate to perfect, continue and realize upon the Security Interest and to protect and preserve the Collateral. In addition, for valuable consideration, the Debtor hereby irrevocably appoints the Lender and its officers from time to time, or any one or more of them, to be the true and lawful attorney of the Debtor, with full power of substitution, in the name of and on behalf of the Debtor to execute and to do all deeds, transfers, conveyances, assignments, assurances, and other things which the Debtor ought to execute and do under the covenants and provisions contained in this Agreement and generally to use the name of the Debtor in the exercise of all or any of the rights, remedies and powers of the Lender.

## 14. MISCELLANEOUS

- (a) The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other securities as the Lender sees fit, all without prejudice to the liability of the Debtor to the Lender or to the Lender's rights in respect thereof. In addition, the Lender may demand, collect, and sue on the Collateral in either the Debtor's or the Lender's name, all at the Lender's option, and may endorse the Debtor's name on any and all cheques, commercial paper and other Instruments pertaining to or constituting the Collateral;
- (b) Neither the execution or registration of this Agreement, nor the advance or re-advance of part of the monies hereby intended to be secured, shall bind the Lender to advance or re-advance the said monies or any unadvanced part thereof. The advance or re-advance of the said monies or any part thereof from time to time shall be in the sole discretion of the Lender;
- (c) The Debtor hereby waives protest of any Instrument constituting Collateral at any time held by the Lender on which the Debtor is in any way liable and, except as expressly prohibited by law, waives notice of any other action taken by the Lender;
- (d) Without limiting any other right of the Lender, whenever the Indebtedness is due and payable or the Lender has the right to declare it to be due and payable (whether or not it has been so declared), the Lender may, in its sole discretion, set off against the Indebtedness any and all monies then owed to the Debtor by the Lender in any capacity, whether or not due, and the Lender shall be deemed to have exercised such right to set-off immediately at the time of making its decision to do so even though any charge therefor is made or entered on the Lender's records subsequent thereto; and

- (e) In any action brought by an assignee of this Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against such assignee any claim or defence which the Debtor now has or may hereafter have against the Lender.
- (f) The Debtor and the Lender shall act in good faith and in a commercial reasonable manner in enjoying and carrying out their respective rights and obligations hereunder and where the consent, judgment, determination, decision, review and approval by the Debtor, the Lender, or their respective counsel, is required regarding any matter contemplated hereunder, such consent, judgment, determination, decision, review and approval shall not, unless otherwise expressly stated hereunder, be unreasonably withheld, conditioned and/or delayed.

## 15. NOTICE

In addition to the notice provisions contained in the Act, whenever the Debtor or the Lender is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given only if delivered, transmitted by facsimile, or sent by prepaid registered mail addressed to the party for whom it is intended at the Branch Address, in the case of the Lender, and at the Debtor Address, in the case of the Debtor, as set out herein or as changed pursuant hereto. Either party may notify the other of any change in such party's address to be used for the purposes hereof. All such communications shall, in the case of delivery or facsimile, be deemed received on the date of delivery and, if mailed as aforesaid, shall be deemed received on the third business day following the date of posting. In the case of a disruption in postal service all such communications shall be delivered or transmitted by facsimile.

## 16. INTERPRETATION

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.
- (b) This Agreement and the security afforded by it is in addition to and not in substitution for any other security now or hereafter held by the Lender and is intended to be a continuing security agreement and shall remain in full force and effect until released in writing by the Lender. The Lender shall have no obligation to provide such release unless and until the full amount of the Indebtedness has been paid in full.
- (c) If any provision of this Agreement is held invalid, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Agreement shall remain in full force and effect and this Agreement shall be enforced to the fullest extent permitted by law.
- (d) The Debtor hereby waives the benefit of all statutory, common law and equitable rights, benefits and provisions which in any way limit or restrict the Lender's rights and remedies, to the extent that such waiver is not expressly prohibited by law. The Debtor acknowledges and agrees that the Lender shall have the right to recover the full amount of the Indebtedness by all lawful means, including the right to seek recovery of any deficiency remaining after the sale of the Collateral, including any sale thereof to the Lender.
- (e) The headings of the sections of this Agreement are inserted for convenience of reference only and shall not affect or limit the construction or interpretation of this Agreement.
- (f) All schedules, whether attached hereto on the date hereof or subsequently attached pursuant to the provisions of this Agreement, form part of this Agreement. With the exception of any schedules which may be added hereafter by the Lender without the concurrence of the Debtor pursuant to the provisions of this Agreement, no modification, variation or amendment of this Agreement shall be made except by a written agreement executed by the Debtor and the Lender.
- (g) When the context so requires, words importing the singular number shall be read to include the plural and vice versa, and words importing gender shall be read with all grammatical changes necessary to reflect the identity of the parties.

- (h) This Agreement shall enure to the benefit of the Lender, its successors and assigns and shall be binding upon the Debtor, its personal representatives, administrators, successors and permitted assigns. If more than one Debtor executes this Agreement, the obligations of the Debtor shall be joint and several.
- (i) Time shall be in all respects of the essence of this Agreement.
- (j) This Agreement is entered into pursuant to the Credit Agreement and to the extent that any provisions of this Agreement conflict or are inconsistent with any of the provisions of the Credit Agreement, the Credit Agreement shall govern and prevail to resolve such conflict or inconsistency in any and all circumstances, such that the provisions of the Credit Agreement shall be paramount to and supersede the provisions of this Agreement.
- (k) Each party hereto agrees to act in good faith and in a commercially reasonable manner in enjoying and carrying out the rights and obligations of the parties hereunder and where the consent, judgment, determination, decision, review and approval by a party, or its counsel, is required regarding any matter contemplated hereunder, such consent, judgment, determination, decision, review and approval shall not, unless otherwise expressly stated hereunder, be unreasonably withheld, conditioned and/or delayed.

**17. RECEIPT OF DOCUMENTS**

- (a) The Debtor hereby acknowledges receiving a copy of this Agreement.
- (b) The Debtor hereby waives its right to receive a copy of any Financing Statement, Financing Change Statement or Verification Statement which may be filed by or issued to the Lender pursuant to the Act.

IN WITNESS WHEREOF the Debtor has executed this Agreement as of the day and year first above written.

BY THE BAY HOME DEVELOPMENT LTD.

Per:   
 Name: **SUNDHIR S. DHILLON**  
 Title: **DIRECTOR**

Per: \_\_\_\_\_  
 Name:  
 Title:

AUTHORIZED SIGNATORY(S)

SCHEDULE "A"

## 1. SPECIFICALLY DESCRIBED COLLATERAL

(a) Serial Number Goods -

<u>Make</u>	<u>Model</u>	<u>Year of Manufacturer</u>	<u>Serial Number</u>
Land Rover	Range	2012	SALMFIE40CA364041

(b) Other - NIL

## 2. PURCHASE MONEY SECURITY INTERESTS - NIL

## 3. PERMITTED ENCUMBRANCES

NIL

SCHEDULE "B"

PERSONAL PROPERTY NOT INCLUDED IN COLLATERAL

NIL

**SCHEDULE "C"****1. LOCATIONS OF DEBTOR'S BUSINESS OPERATIONS**

(a) Chief Executive Office

610-1155 West Pender Street, Vancouver, BC V6E 2P4

(b) Other Locations

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**2. LOCATIONS OF RECORDS RELATING TO COLLATERAL**

610-1155 West Pender Street, Vancouver, BC V6E 2P4

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**3. LOCATIONS OF COLLATERAL**

As described in Schedule "E" attached hereto.

**SCHEDULE "D"****ADDITIONAL COVENANTS, TERMS AND CONDITIONS**

Loan agreement dated as of the 2nd day of October, 2019 among the Debtor, as borrower, and the Lender, as lender, as amended, modified, supplemented, restated or replaced, from time to time.



**SCHEDULE "E"****REAL PROPERTY**

The lands and premises located at 1509, 1517, 1525 and 1533 Harwood Street, Vancouver, British Columbia, legally described as:

PID: 003-511-995, Strata Lot 1, District Lot 185, Strata Plan VR. 152;  
PID: 003-512-002, Strata Lot 2, District Lot 185, Strata Plan VR. 152;  
PID: 003-512-045, Strata Lot 3, District Lot 185, Strata Plan VR. 152; and  
PID: 003-512-134, Strata Lot 4, District Lot 185, Strata Plan VR. 152.

Dated: DEC 12 2019, 2019

FROM:

BY THE BAY HOME DEVELOPMENT LTD.

TO:

NATIONAL BANK OF CANADA

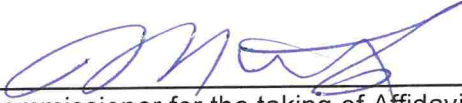
311 6<sup>th</sup> Avenue SW, 6<sup>th</sup> Floor, Calgary, AB T2P 3H2

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**GENERAL SECURITY AGREEMENT**

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This is **Exhibit "G"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



\_\_\_\_\_  
A Commissioner for the taking of Affidavits for  
British Columbia

**LETTER OF GUARANTEE**  
(Canada except Quebec)

TO: NATIONAL BANK OF CANADA

1. In consideration of National Bank of Canada (hereinafter referred to as the "Bank") dealing with

BY THE BAY HOME DEVELOPMENT LTD.

(hereinafter referred to as the "Customer"), the undersigned and each of them, if more than one, hereby jointly and severally guarantee payment to the Bank of all present and future debts and liabilities (direct or indirect, absolute or contingent, matured or otherwise), now or at any time and from time to time hereafter due or owing to the Bank whether incurred by the Customer alone or jointly with any corporation, person or persons, or otherwise howsoever, including all costs and disbursements incurred by the Bank in view of recovering or attempting to recover said debts and liabilities. Provided, however, that the liability of the undersigned, and of each of the undersigned herein, is limited

to Fifteen Million Nine Hundred Fifty Thousand

Dollars (\$ 15,950,000 ), with interest thereon from the date payment is demanded, at the rate agreed upon between the Bank and the Customer.

2. In this guarantee, the word "Guarantor" shall mean the undersigned and if there is more than one, it shall mean each of them.
3. This guarantee shall not be affected by the death or loss or diminution of capacity of the Customer or of the Guarantor or by any change in the name of the Customer or in the membership of the firm of the Customer through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the business of the Customer by a corporation, firm or person, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer or the business of the Customer being amalgamated with a firm or corporation but shall, notwithstanding the occurrence of any such event, continue to exist and apply to the full extent as if such event has not occurred. The Guarantor agrees to monitor changes in the financial position of the Customer and hereby releases the Bank from any liability resulting therefrom.
4. All monies, advances renewals and credits in fact borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents thereof, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals or credits, the whole whether known to the Bank or not. Any sum which may not be recoverable from the Guarantor under the terms of a guarantee shall be recoverable from the Guarantor as sole and principal debtor in respect thereof and shall be paid to the Bank on demand with interest and incidental charges as herein provided.
5. This guarantee shall continue and be enforceable notwithstanding any amalgamation of the Bank with any other bank(s), financial institution(s) or other corporation(s), and any further amalgamation, in which event this guarantee shall also extend to all debts and liabilities then or thereafter owed by the Customer to the amalgamated bank. Furthermore, all security, real or personal, moveable or immovable, which have been or will be given by the Guarantor for the said debts and liabilities shall be valid in the hands of the Bank, as well as its successors and assigns.
6. It is further agreed that this shall be a continuing guarantee, and shall cover and secure any ultimate balance owing to the Bank.
7. This guarantee shall bind the Guarantor together with his heirs, successors, executors, administrators, legal representatives and assigns until termination thereof by notice in writing to the manager of the branch of the Bank at which the account of the Customer is held, but such termination by any of the guarantors or their respective heirs, successors, executors, administrators, legal representatives or assigns shall not prevent the continuance of the liability hereunder of any other guarantor. Such termination shall apply only to those debts or liabilities of the Customer incurred or arising after reception of the notice by the Bank, but not in respect of any prior debts or liabilities, matured or not. The notice of termination shall have no effect on those debts or liabilities incurred after reception of said notice which will result from express or implied commitments made prior to reception.
8. This guarantee will not be diminished or modified on account of any act on the part of the Bank which would prevent subrogation from operating in favour of the Guarantor. It is agreed that the Bank, without exonerating in whole or in part the Guarantor, may grant time, renewals, extensions, indulgences, releases and discharges to, may take security from, and give up or release any or part of the security held, may abstain from taking, perfecting, registering or renewing security or from realizing on security, may accept compositions and otherwise deal with the Customer and with any other person or persons, including any of the guarantors, and dispose of any security held by the Bank as it may see fit. It is further agreed that all dividends and monies received by the Bank from the Customer or from any other person, capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be considered for all purposes as payment in gross which the Bank shall have the right to apply as it may see fit, not being bound by the law of imputation, and that the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding up, in respect of the whole said debts and liabilities. The Guarantor shall have no right to be subrogated to the Bank until the Bank shall have received payment in full of its claims against the Customer with interest and costs. For greater certainty and without limitation, this guarantee will continue to apply in accordance with its terms and conditions to all present and future debts and liabilities of the Customer howsoever created including such debts and liabilities which may have matured or been expressly terminated by operation of law or any previous contract or instrument but revived, restated or recreated in any manner whatsoever and whether or not the undersigned has executed any contract or instrument other than this guarantee. A request for execution of the undersigned and failure to obtain it shall not amount to a waiver of this continuing obligation of the undersigned.
9. If any circumstances arise necessitating the Bank to file its claim against the estate of the Customer and to value its security, it will be entitled to place such valuation as the Bank may in its discretion see fit, and the filing of such claim and the valuation of its security shall in no way prejudice or restrict its rights against the Guarantor.
10. The Bank shall not be obliged to exhaust its recourse against the Customer or other persons or the security it may hold before being entitled to payment from the Guarantor of any and all debts and liabilities hereby guaranteed and it shall not be obliged to offer or deliver its security before its whole claim has been paid. The Guarantor waives all benefits of discussion and division.
11. All indebtedness and liability, present and future, of the Customer to the Guarantor are hereby assigned to the Bank and postponed to the present and future debts and liabilities of the Customer to the Bank. All monies received from the Customer or on his behalf by the Guarantor shall be held as in his capacity as agent, mandatary and trustee for the Bank and shall be paid over to the Bank forthwith. This provision will remain in full force and effect, notwithstanding the termination of the guarantee pursuant to the provisions of paragraph 7 in which event it will terminate when the debts and liabilities of the Customer to the Bank covered by this guarantee pursuant to paragraph 7 hereof have been paid in full.
12. This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and without prejudice to any other security by whomsoever given held at any time by the Bank and the Bank shall be under no obligation to marshal in favour of the Guarantor any such security or any of the funds or assets the Bank may be entitled to receive or have a claim upon.
13. The Guarantor shall be bound by any account settled between the Bank and the Customer and, if no such account has been so settled, any account stated by the Bank shall be accepted by the Guarantor as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank.
14. The Guarantor shall make payment to the Bank of the amount of his liability forthwith after demand therefor is made in writing. Such demand shall be deemed to have been made when a postage-paid envelope containing it addressed to the Guarantor at his last address known to the Bank is mailed. The liability of the Guarantor shall bear interest from the date of such demand at the rate or rates then applicable to the debts and liabilities of the Customer to the Bank.

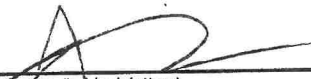
- 15. This guarantee and agreement shall be valid and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the Guarantor that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition has been complied with. None of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein. The liability of the Guarantor hereunder begins on the date of his signature on this letter of guarantee.
- 16. This guarantee shall be binding upon the undersigned and any of them, if more than one, jointly and severally between them and with the Customer and also upon the heirs, executors, administrators and successors of the Guarantor and will extend to and enture to the benefit of the successors and assigns of the Bank. Each and every provision hereof is severable and should any provision hereof be illegal or not enforceable for any reason whatsoever, such illegality or invalidity shall not affect the other provisions hereof which shall remain in force and be binding on the parties hereto. I (we) hereby acknowledge that a copy of this Letter of Guarantee was handed over to me (us) on the date hereof.
- 17. The Guarantor acknowledges having read and taken cognizance of the present Letter or Guarantee before signing it and declares that he understands perfectly the terms, conditions and undertakings contained therein.
- 18. This Letter of Guarantee shall be construed and governed in accordance with the laws of the Province of British Columbia and the Guarantor agrees that any legal suit, action or proceeding arising out of or relating to this Letter of Guarantee may be instituted in the courts of such province, and the Guarantor hereby accepts and irrevocably submits to the jurisdiction of the said courts, and acknowledges their competence and agrees to be bound by any judgment thereof, provided that nothing herein shall limit the Bank's right to bring proceedings against the Guarantor elsewhere.

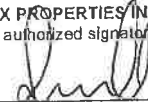
IN WITNESS WHEREOF the Guarantee has signed at Burnaby, B.C.  
 this 12 day of Dec, 2019  
 SIGNED SEALED AND DELIVERED

WITNESS

GUARANTOR:

DIMEX PROPERTIES INC.,  
By its authorized signatory:


  
 First and last name (in block letters)  
**ANTONY S. DUSEVIC**  
*Barrister & Solicitor*  
 Suite 2388, 4720 Kingsway  
 Burnaby, B.C. Canada V5H 4N2  
 Tel: 604.431.8368

  
 Name: **SUNDHIR S. DHILLON**  
 Title: **DIRECTOR**

I (we) hereby acknowledge that a copy of this Letter of Guarantee was handed over to me (us) on the date hereof.

Signature of Guarantor(s)

DIMEX PROPERTIES INC.  
By its authorized signatory:

  
 Name: **SUNDHIR S. DHILLON**  
 Title: **DIRECTOR**

This is **Exhibit "H"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



---

A Commissioner for the taking of Affidavits for  
British Columbia

**LETTER OF GUARANTEE**  
(Canada except Quebec)

TO: NATIONAL BANK OF CANADA

1. In consideration of National Bank of Canada (hereinafter referred to as the "Bank") dealing with

BY THE BAY HOME DEVELOPMENT LTD.

(hereinafter referred to as the "Customer"), the undersigned and each of them, if more than one, hereby jointly and severally guarantee payment to the Bank of all present and future debts and liabilities (direct or indirect, absolute or contingent, matured or otherwise), now or at any time and from time to time hereafter due or owing to the Bank whether incurred by the Customer alone or jointly with any corporation, person or persons, or otherwise howsoever, including all costs and disbursements incurred by the Bank in view of recovering or attempting to recover said debts and liabilities. Provided, however, that the liability of the undersigned, and of each of the undersigned herein, is limited

to Fifteen Million Nine Hundred Fifty Thousand


Dollars (\$ 15,950,000 ), with interest thereon from the date payment is demanded, at the rate agreed upon between the Bank and the Customer.

2. In this guarantee, the word "Guarantor" shall mean the undersigned and if there is more than one, it shall mean each of them.
3. This guarantee shall not be affected by the death or loss or diminution of capacity of the Customer or of the Guarantor or by any change in the name of the Customer or in the membership of the firm of the Customer through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the business of the Customer by a corporation, firm or person, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer or the business of the Customer being amalgamated with a firm or corporation but shall, notwithstanding the occurrence of any such event, continue to exist and apply to the full extent as if such event has not occurred. The Guarantor agrees to monitor changes in the financial position of the Customer and hereby releases the Bank from any liability resulting therefrom.
4. All monies, advances renewals and credits in fact borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents thereof, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals or credits, the whole whether known to the Bank or not. Any sum which may not be recoverable from the Guarantor under the terms of a guarantee shall be recoverable from the Guarantor as sole and principal debtor in respect thereof and shall be paid to the Bank on demand with interest and incidental charges as herein provided.
5. This guarantee shall continue and be enforceable notwithstanding any amalgamation of the Bank with any other bank(s), financial institution(s) or other corporation(s), and any further amalgamation, in which event this guarantee shall also extend to all debts and liabilities then or thereafter owed by the Customer to the amalgamated bank. Furthermore, all security, real or personal, moveable or immovable, which have been or will be given by the Guarantor for the said debts and liabilities shall be valid in the hands of the Bank, as well as its successors and assigns.
6. It is further agreed that this shall be a continuing guarantee, and shall cover and secure any ultimate balance owing to the Bank.
7. This guarantee shall bind the Guarantor together with his heirs, successors, executors, administrators, legal representatives and assigns until termination thereof by notice in writing to the manager of the branch of the Bank at which the account of the Customer is held, but such termination by any of the guarantors or their respective heirs, successors, executors, administrators, legal representatives or assigns shall not prevent the continuance of the liability hereunder of any other guarantor. Such termination shall apply only to those debts or liabilities of the Customer incurred or arising after reception of the notice by the Bank, but not in respect of any prior debts or liabilities, matured or not. The notice of termination shall have no effect on those debts or liabilities incurred after reception of said notice which will result from express or implied commitments made prior to reception.
8. This guarantee will not be diminished or modified on account of any act on the part of the Bank which would prevent subrogation from operating in favour of the Guarantor. It is agreed that the Bank, without exonerating in whole or in part the Guarantor, may grant time, renewals, extensions, indulgences, releases and discharges to, may take security from, and give up or release any or part of the security held, may abstain from taking, perfecting, registering or renewing security or from realizing on security, may accept compositions and otherwise deal with the Customer and with any other person or persons, including any of the guarantors, and dispose of any security held by the Bank as it may see fit. It is further agreed that all dividends and monies received by the Bank from the Customer or from any other person, capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be considered for all purposes as payment in gross which the Bank shall have the right to apply as it may see fit, not being bound by the law of imputation, and that the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding up, in respect of the whole said debts and liabilities. The Guarantor shall have no right to be subrogated to the Bank until the Bank shall have received payment in full of its claims against the Customer with interest and costs. For greater certainty and without limitation, this guarantee will continue to apply in accordance with its terms and conditions to all present and future debts and liabilities of the Customer howsoever created including such debts and liabilities which may have matured or been expressly terminated by operation of law or any previous contract or instrument but revived, restated or recreated in any manner whatsoever and whether or not the undersigned has executed any contract or instrument other than this guarantee. A request for execution of the undersigned and failure to obtain it shall not amount to a waiver of this continuing obligation of the undersigned.
9. If any circumstances arise necessitating the Bank to file its claim against the estate of the Customer and to value its security, it will be entitled to place such valuation as the Bank may in its discretion see fit, and the filing of such claim and the valuation of its security shall in no way prejudice or restrict its rights against the Guarantor.
10. The Bank shall not be obliged to exhaust its recourse against the Customer or other persons or the security it may hold before being entitled to payment from the Guarantor of any and all debts and liabilities hereby guaranteed and it shall not be obliged to offer or deliver its security before its whole claim has been paid. The Guarantor waives all benefits of discussion and division.
11. All indebtedness and liability, present and future, of the Customer to the Guarantor are hereby assigned to the Bank and postponed to the present and future debts and liabilities of the Customer to the Bank. All monies received from the Customer or on his behalf by the Guarantor shall be held as in his capacity as agent, mandatory and trustee for the Bank and shall be paid over to the Bank forthwith. This provision will remain in full force and effect, notwithstanding the termination of the guarantee pursuant to the provisions of paragraph 7 in which event it will terminate when the debts and liabilities of the Customer to the Bank covered by this guarantee pursuant to paragraph 7 hereof have been paid in full.
12. This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and without prejudice to any other security by whomsoever given held at any time by the Bank and the Bank shall be under no obligation to marshal in favour of the Guarantor any such security or any of the funds or assets the Bank may be entitled to receive or have a claim upon.
13. The Guarantor shall be bound by any account settled between the Bank and the Customer and, if no such account has been so settled, any account stated by the Bank shall be accepted by the Guarantor as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank.
14. The Guarantor shall make payment to the Bank of the amount of his liability forthwith after demand therefor is made in writing. Such demand shall be deemed to have been made when a postage-paid envelope containing it addressed to the Guarantor at his last address known to the Bank is mailed. The liability of the Guarantor shall bear interest from the date of such demand at the rate or rates then applicable to the debts and liabilities of the Customer to the Bank.

- 15. This guarantee and agreement shall be valid and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the Guarantor that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition has been complied with. None of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein. The liability of the Guarantor hereunder begins on the date of his signature on this letter of guarantee.
- 16. This guarantee shall be binding upon the undersigned and any of them, if more than one, jointly and severally between them and with the Customer and also upon the heirs, executors, administrators and successors of the Guarantor and will extend to and enure to the benefit of the successors and assigns of the Bank. Each and every provision hereof is severable and should any provision hereof be illegal or not enforceable for any reason whatsoever, such illegality or invalidity shall not affect the other provisions hereof which shall remain in force and be binding on the parties hereto. I (we) hereby acknowledge that a copy of this Letter of Guarantee was handed over to me (us) on the date hereof.
- 17. The Guarantor acknowledges having read and taken cognizance of the present Letter or Guarantee before signing it and declares that he understands perfectly the terms, conditions and undertakings contained therein.
- 18. This Letter of Guarantee shall be construed and governed in accordance with the laws of the Province of British Columbia and the Guarantor agrees that any legal suit, action or proceeding arising out of or relating to this Letter of Guarantee may be instituted in the courts of such province, and the Guarantor hereby accepts and irrevocably submits to the jurisdiction of the said courts, and acknowledges their competence and agrees to be bound by any judgment thereof, provided that nothing herein shall limit the Bank's right to bring proceedings against the Guarantor elsewhere.

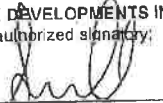
IN WITNESS WHEREOF the Guarantee has signed at Burnaby B.C.  
 this 12th day of Dec, 2019  
 SIGNED SEALED AND DELIVERED

WITNESS

  
 First and last name (in block letters)  
**ANTONY S. DUSEVIC**  
*Barrister & Solicitor*  
 Suite 2388, 4720 Kingsway  
 Burnaby, B.C. Canada V5H 4N2  
 Tel: 604.431.8368

GUARANTOR:


DIMEX DEVELOPMENTS INC.,  
By its authorized signatory:

  
 Name:  
 Title: **SUNDHIR S. DHILLON**  
*Director*

I (we) hereby acknowledge that a copy of this Letter of Guarantee was handed over to me (us) on the date hereof.

Signature of Guarantor(s)

DIMEX DEVELOPMENTS INC.,  
By its authorized signatory:

  
 Name:  
 Title: **SUNDHIR S. DHILLON**  
*Director*



This is **Exhibit "I"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



---

A Commissioner for the taking of Affidavits for  
British Columbia

**LETTER OF GUARANTEE**  
(Canada except Quebec)

TO: NATIONAL BANK OF CANADA

1. In consideration of National Bank of Canada (hereinafter referred to as the "Bank") dealing with

BY THE BAY HOME DEVELOPMENT LTD.

(hereinafter referred to as the "Customer"), the undersigned and each of them, if more than one, hereby jointly and severally guarantee payment to the Bank of all present and future debts and liabilities (direct or indirect, absolute or contingent, matured or otherwise), now or at any time and from time to time hereafter due or owing to the Bank whether incurred by the Customer alone or jointly with any corporation, person or persons, or otherwise howsoever, including all costs and disbursements incurred by the Bank in view of recovering or attempting to recover said debts and liabilities. Provided, however, that the liability of the undersigned, and of each of the undersigned herein, is limited

to Fifteen Million Nine Hundred Fifty Thousand


Dollars (\$ 15,950,000 ), with interest thereon from the date payment is demanded, at the rate agreed upon between the Bank and the Customer.

2. In this guarantee, the word "Guarantor" shall mean the undersigned and if there is more than one, it shall mean each of them.
3. This guarantee shall not be affected by the death or loss or diminution of capacity of the Customer or of the Guarantor or by any change in the name of the Customer or in the membership of the firm of the Customer through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the business of the Customer by a corporation, firm or person, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer or the business of the Customer being amalgamated with a firm or corporation but shall, notwithstanding the occurrence of any such event, continue to exist and apply to the full extent as if such event has not occurred. The Guarantor agrees to monitor changes in the financial position of the Customer and hereby releases the Bank from any liability resulting therefrom.
4. All monies, advances, renewals and credits in fact borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents thereof, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals or credits, the whole whether known to the Bank or not. Any sum which may not be recoverable from the Guarantor under the terms of a guarantee shall be recoverable from the Guarantor as sole and principal debtor in respect thereof and shall be paid to the Bank on demand with interest and incidental charges as herein provided.
5. This guarantee shall continue and be enforceable notwithstanding any amalgamation of the Bank with any other bank(s), financial institution(s) or other corporation(s), and any further amalgamation, in which event this guarantee shall also extend to all debts and liabilities then or thereafter owed by the Customer to the amalgamated bank. Furthermore, all security, real or personal, moveable or immovable, which have been or will be given by the Guarantor for the said debts and liabilities shall be valid in the hands of the Bank, as well as its successors and assigns.
6. It is further agreed that this shall be a continuing guarantee, and shall cover and secure any ultimate balance owing to the Bank.
7. This guarantee shall bind the Guarantor together with his heirs, successors, executors, administrators, legal representatives and assigns until termination thereof by notice in writing to the manager of the branch of the Bank at which the account of the Customer is held, but such termination by any of the guarantors or their respective heirs, successors, executors, administrators, legal representatives or assigns shall not prevent the continuance of the liability hereunder of any other guarantor. Such termination shall apply only to those debts or liabilities of the Customer incurred or arising after reception of the notice by the Bank, but not in respect of any prior debts or liabilities, matured or not. The notice of termination shall have no effect on those debts or liabilities incurred after reception of said notice which will result from express or implied commitments made prior to reception.
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9. If any circumstances arise necessitating the Bank to file its claim against the estate of the Customer and to value its security, it will be entitled to place such valuation as the Bank may in its discretion see fit, and the filing of such claim and the valuation of its security shall in no way prejudice or restrict its rights against the Guarantor.
10. The Bank shall not be obliged to exhaust its recourse against the Customer or other persons or the security it may hold before being entitled to payment from the Guarantor of any and all debts and liabilities hereby guaranteed and it shall not be obliged to offer or deliver its security before its whole claim has been paid. The Guarantor waives all benefits of discussion and division.
11. All indebtedness and liability, present and future, of the Customer to the Guarantor are hereby assigned to the Bank and postponed to the present and future debts and liabilities of the Customer to the Bank. All monies received from the Customer or on his behalf by the Guarantor shall be held as in his capacity as agent, mandatary and trustee for the Bank and shall be paid over to the Bank forthwith. This provision will remain in full force and effect, notwithstanding the termination of the guarantee pursuant to the provisions of paragraph 7 in which event it will terminate when the debts and liabilities of the Customer to the Bank covered by this guarantee pursuant to paragraph 7 hereof have been paid in full.
12. This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and without prejudice to any other security by whomsoever given held at any time by the Bank and the Bank shall be under no obligation to marshal in favour of the Guarantor any such security or any of the funds or assets the Bank may be entitled to receive or have a claim upon.
13. The Guarantor shall be bound by any account settled between the Bank and the Customer and, if no such account has been so settled, any account stated by the Bank shall be accepted by the Guarantor as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank.
14. The Guarantor shall make payment to the Bank of the amount of his liability forthwith after demand therefor is made in writing. Such demand shall be deemed to have been made when a postage-paid envelope containing it addressed to the Guarantor at his last address known to the Bank is mailed. The liability of the Guarantor shall bear interest from the date of such demand at the rate or rates then applicable to the debts and liabilities of the Customer to the Bank.

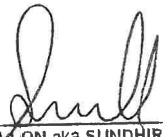
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- 16. This guarantee shall be binding upon the undersigned and any of them, if more than one, jointly and severally between them and with the Customer and also upon the heirs, executors, administrators and successors of the Guarantor and will extend to and enure to the benefit of the successors and assigns of the Bank. Each and every provision hereof is severable and should any provision hereof be illegal or not enforceable for any reason whatsoever, such illegality or invalidity shall not affect the other provisions hereof which shall remain in force and be binding on the parties hereto. I (we) hereby acknowledge that a copy of this Letter of Guarantee was handed over to me (us) on the date hereof.
- 17. The Guarantor acknowledges having read and taken cognizance of the present Letter or Guarantee before signing it and declares that he understands perfectly the terms, conditions and undertakings contained therein.
- 18. This Letter of Guarantee shall be construed and governed in accordance with the laws of the Province of British Columbia and the Guarantor agrees that any legal suit, action or proceeding arising out of or relating to this Letter of Guarantee may be instituted in the courts of such province, and the Guarantor hereby accepts and irrevocably submits to the jurisdiction of the said courts, and acknowledges their competence and agrees to be bound by any judgment thereof, provided that nothing herein shall limit the Bank's right to bring proceedings against the Guarantor elsewhere.

IN WITNESS WHEREOF the Guarantee has signed at Burnaby, B.C.  
 this 12<sup>th</sup> day of Dec, 2019  
 SIGNED SEALED AND DELIVERED

WITNESS

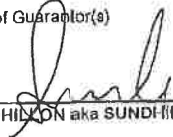
  
 First and Last Name (Full Name) M. DUSEVIC  
 Barrister & Solicitor  
 Suite 2388, 4720 Kingsway  
 Burnaby, B.C. Canada V5H 4N2  
 Tel: 604.431.8368

GUARANTOR:

  
SUNDHIR DHILLON aka SUNDHIR (SUNNY) DHILLON  
~~Dhillon~~

I (we) hereby acknowledge that a copy of this Letter of Guarantee was handed over to me (us) on the date hereof.

Signature of Guarantor(s)

  
SUNDHIR DHILLON aka SUNDHIR (SUNNY) DHILLON

This is **Exhibit "J"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



\_\_\_\_\_  
A Commissioner for the taking of Affidavits for  
British Columbia

**TITLE SEARCH PRINT**

File Reference: 30237/416

2024-08-26, 09:09:25

Requestor: Lily Sung

**\*\*CURRENT AND CANCELLED INFORMATION SHOWN\*\***

**Land Title District** VANCOUVER  
Land Title Office VANCOUVER

**Title Number** CA9091259  
From Title Number CA5910918  
CA5910919  
CA5910920  
CA5910921  
VAS152  
VAS152

**Application Received** 2021-06-11

**Application Entered** 2021-06-25

**Registered Owner in Fee Simple**  
Registered Owner/Mailing Address: BY THE BAY HOME DEVELOPMENT LTD., INC.NO. BC1081074  
610 - 1155 WEST PENDER STREET  
VANCOUVER, BC  
V6E 2P4

**Taxation Authority** Vancouver, City of

**Description of Land**  
Parcel Identifier: 031-425-909  
Legal Description:  
LOT 1 BLOCK 51 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER DISTRICT PLAN  
EPP109066

**Legal Notations**  
HOUSING AGREEMENT, VANCOUVER CHARTER, S. 565.2, SEE CA9833674

**Charges, Liens and Interests**  
Nature: MORTGAGE  
Registration Number: CA7942637  
Registration Date and Time: 2019-12-19 15:47  
Registered Owner: NATIONAL BANK OF CANADA  
CHANGE OF ADDRESS FILED, SEE CA8027628  
Remarks: MODIFIED BY CA9998974

**TITLE SEARCH PRINT**

File Reference: 30237/416

95  
2024-08-26, 09:09:25

Requestor: Lily Sung

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA7942638  
 Registration Date and Time: 2019-12-19 15:47  
 Registered Owner: NATIONAL BANK OF CANADA  
 CHANGE OF ADDRESS FILED, SEE CA8027629  
 Remarks: MODIFIED BY CA9998975

Nature: MORTGAGE  
 Registration Number: CA7944126  
 Registration Date and Time: 2019-12-20 10:03  
 Registered Owner: BANCORP BALANCED MORTGAGE FUND II LTD.  
 INCORPORATION NO. BC0856913  
 BANCORP GROWTH MORTGAGE FUND II LTD.  
 INCORPORATION NO. BC0856914  
 BANCORP FINANCIAL SERVICES INC.  
 INCORPORATION NO. BC0712503  
**Cancelled By: CB30288**  
**Cancelled Date: 2022-06-24**

Nature: ASSIGNMENT OF RENTS  
 Registration Number: CA7944127  
 Registration Date and Time: 2019-12-20 10:03  
 Registered Owner: BANCORP BALANCED MORTGAGE FUND II LTD.  
 INCORPORATION NO. BC0856913  
 BANCORP GROWTH MORTGAGE FUND II LTD.  
 INCORPORATION NO. BC0856914  
 BANCORP FINANCIAL SERVICES INC.  
 INCORPORATION NO. BC0712503  
**Cancelled By: CB30289**  
**Cancelled Date: 2022-06-24**

Nature: PRIORITY AGREEMENT  
 Registration Number: CA7944472  
 Registration Date and Time: 2019-12-20 10:41  
 Remarks: GRANTING CA7942637 PRIORITY OVER CA7944126 AND  
 CA7944127  
**Cancelled By: CB30289**  
**Cancelled Date: 2022-06-24**

Nature: PRIORITY AGREEMENT  
 Registration Number: CA7944473  
 Registration Date and Time: 2019-12-20 10:41  
 Remarks: GRANTING CA7942638 PRIORITY OVER CA7944126 AND  
 CA7944127  
**Cancelled By: CB30289**  
**Cancelled Date: 2022-06-24**

**TITLE SEARCH PRINT**

File Reference: 30237/416

96  
2024-08-26, 09:09:25  
Requestor: Lily Sung

Nature: EASEMENT AND INDEMNITY AGREEMENT  
Registration Number: CA9394162  
Registration Date and Time: 2021-09-28 19:14  
Registered Owner: CITY OF VANCOUVER

Nature: PRIORITY AGREEMENT  
Registration Number: CA9394163  
Registration Date and Time: 2021-09-28 19:14  
Remarks: GRANTING CA9394162 PRIORITY OVER CA7942637 AND CA7942638

Nature: PRIORITY AGREEMENT  
Registration Number: CA9394164  
Registration Date and Time: 2021-09-28 19:14  
Remarks: GRANTING CA9394162 PRIORITY OVER CA7944126 AND CA7944127

**Cancelled By: CB30289**  
**Cancelled Date: 2022-06-24**

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA9394165  
Registration Date and Time: 2021-09-28 19:14  
Registered Owner: CITY OF VANCOUVER

Nature: PRIORITY AGREEMENT  
Registration Number: CA9394166  
Registration Date and Time: 2021-09-28 19:14  
Remarks: GRANTING CA9394165 PRIORITY OVER CA7942637 AND CA7942638

Nature: PRIORITY AGREEMENT  
Registration Number: CA9394167  
Registration Date and Time: 2021-09-28 19:14  
Remarks: GRANTING CA9394165 PRIORITY OVER CA7944126 AND CA7944127

**Cancelled By: CB30289**  
**Cancelled Date: 2022-06-24**

Nature: COVENANT  
Registration Number: CA9833653  
Registration Date and Time: 2022-04-04 12:08  
Registered Owner: CITY OF VANCOUVER

**TITLE SEARCH PRINT**

File Reference: 30237/416

97  
2024-08-26, 09:09:25  
Requestor: Lily Sung

Nature: PRIORITY AGREEMENT  
Registration Number: CA9833654  
Registration Date and Time: 2022-04-04 12:08  
Remarks: GRANTING CA9833653 PRIORITY OVER CA7942637 AND CA7942638

Nature: PRIORITY AGREEMENT  
Registration Number: CA9833655  
Registration Date and Time: 2022-04-04 12:08  
Remarks: GRANTING CA9833653 PRIORITY OVER CA7944126 AND CA7944127

**Cancelled By: CB30289**  
**Cancelled Date: 2022-06-24**

Nature: COVENANT  
Registration Number: CA9833656  
Registration Date and Time: 2022-04-04 12:08  
Registered Owner: CITY OF VANCOUVER

Nature: PRIORITY AGREEMENT  
Registration Number: CA9833657  
Registration Date and Time: 2022-04-04 12:08  
Remarks: GRANTING CA9833656 PRIORITY OVER CA7942637 AND CA7942638

Nature: PRIORITY AGREEMENT  
Registration Number: CA9833658  
Registration Date and Time: 2022-04-04 12:08  
Remarks: GRANTING CA9833656 PRIORITY OVER CA7944126 AND CA7944127

**Cancelled By: CB30289**  
**Cancelled Date: 2022-06-24**

Nature: COVENANT  
Registration Number: CA9833659  
Registration Date and Time: 2022-04-04 12:08  
Registered Owner: CITY OF VANCOUVER

Nature: PRIORITY AGREEMENT  
Registration Number: CA9833660  
Registration Date and Time: 2022-04-04 12:08  
Remarks: GRANTING CA9833659 PRIORITY OVER CA7942637 AND CA7942638



**TITLE SEARCH PRINT**

File Reference: 30237/416

98  
2024-08-26, 09:09:25

Requestor: Lily Sung

Nature: PRIORITY AGREEMENT  
Registration Number: CA9833661  
Registration Date and Time: 2022-04-04 12:08  
Remarks: GRANTING CA9833659 PRIORITY OVER CA7944126 AND CA7944127  
**Cancelled By: CB30289**  
**Cancelled Date: 2022-06-24**

Nature: STATUTORY RIGHT OF WAY  
Registration Number: CA9833662  
Registration Date and Time: 2022-04-04 12:08  
Registered Owner: CITY OF VANCOUVER

Nature: PRIORITY AGREEMENT  
Registration Number: CA9833663  
Registration Date and Time: 2022-04-04 12:08  
Remarks: GRANTING CA9833662 PRIORITY OVER CA7942637 AND CA7942638

Nature: PRIORITY AGREEMENT  
Registration Number: CA9833664  
Registration Date and Time: 2022-04-04 12:08  
Remarks: GRANTING CA9833662 PRIORITY OVER CA7944126 AND CA7944127  
**Cancelled By: CB30289**  
**Cancelled Date: 2022-06-24**

Nature: COVENANT  
Registration Number: CA9833665  
Registration Date and Time: 2022-04-04 12:08  
Registered Owner: CITY OF VANCOUVER

Nature: PRIORITY AGREEMENT  
Registration Number: CA9833666  
Registration Date and Time: 2022-04-04 12:08  
Remarks: GRANTING CA9833665 PRIORITY OVER CA7942637 AND CA7942638

Nature: PRIORITY AGREEMENT  
Registration Number: CA9833667  
Registration Date and Time: 2022-04-04 12:08  
Remarks: GRANTING CA9833665 PRIORITY OVER CA7944126 AND CA7944127  
**Cancelled By: CB30289**  
**Cancelled Date: 2022-06-24**

**TITLE SEARCH PRINT**

File Reference: 30237/416

Nature: COVENANT  
 Registration Number: CA9833668  
 Registration Date and Time: 2022-04-04 12:08  
 Registered Owner: CITY OF VANCOUVER

Nature: PRIORITY AGREEMENT  
 Registration Number: CA9833669  
 Registration Date and Time: 2022-04-04 12:08  
 Remarks: GRANTING CA9833668 PRIORITY OVER CA7942637 AND CA7942638

Nature: PRIORITY AGREEMENT  
 Registration Number: CA9833670  
 Registration Date and Time: 2022-04-04 12:08  
 Remarks: GRANTING CA9833668 PRIORITY OVER CA7944126 AND CA7944127

**Cancelled By: CB30289**  
**Cancelled Date: 2022-06-24**

Nature: COVENANT  
 Registration Number: CA9833671  
 Registration Date and Time: 2022-04-04 12:08  
 Registered Owner: CITY OF VANCOUVER

Nature: PRIORITY AGREEMENT  
 Registration Number: CA9833672  
 Registration Date and Time: 2022-04-04 12:08  
 Remarks: GRANTING CA9833671 PRIORITY OVER CA7942637 AND CA7942638

Nature: PRIORITY AGREEMENT  
 Registration Number: CA9833673  
 Registration Date and Time: 2022-04-04 12:08  
 Remarks: GRANTING CA9833671 PRIORITY OVER CA7944126 AND CA7944127

**Cancelled By: CB30289**  
**Cancelled Date: 2022-06-24**

Nature: MODIFICATION  
 Registration Number: CA9998974  
 Registration Date and Time: 2022-06-13 15:12  
 Remarks: MODIFICATION OF CA7942637

Nature: MODIFICATION  
 Registration Number: CA9998975  
 Registration Date and Time: 2022-06-13 15:12  
 Remarks: MODIFICATION OF CA7942638

**TITLE SEARCH PRINT**

File Reference: 30237/416

100  
2024-08-26, 09:09:25

Requestor: Lily Sung

Nature: MORTGAGE  
Registration Number: CB4503  
Registration Date and Time: 2022-06-15 10:19  
Registered Owner: GENESIS MORTGAGE INVESTMENT CORP.  
INCORPORATION NO. BC0952821

Nature: ASSIGNMENT OF RENTS  
Registration Number: CB4504  
Registration Date and Time: 2022-06-15 10:19  
Registered Owner: GENESIS MORTGAGE INVESTMENT CORP.  
INCORPORATION NO. BC0952821

Nature: PRIORITY AGREEMENT  
Registration Number: CB5166  
Registration Date and Time: 2022-06-15 11:12  
Remarks: GRANTING CA9998974 PRIORITY OVER CB4503 AND  
CB4504

Nature: PRIORITY AGREEMENT  
Registration Number: CB5167  
Registration Date and Time: 2022-06-15 11:12  
Remarks: GRANTING CA9998975 PRIORITY OVER CB4503 AND  
CB4504

Nature: COVENANT  
Registration Number: CB79455  
Registration Date and Time: 2022-07-13 13:45  
Registered Owner: BRITISH COLUMBIA HOUSING MANAGEMENT COMMISSION

Nature: PRIORITY AGREEMENT  
Registration Number: CB79456  
Registration Date and Time: 2022-07-13 13:45  
Remarks: GRANTING CB79455 PRIORITY OVER CA7942637,  
CA7942638, CA9998974 AND CA9998975

Nature: PRIORITY AGREEMENT  
Registration Number: CB79457  
Registration Date and Time: 2022-07-13 13:45  
Remarks: GRANTING CB79455 PRIORITY OVER CB4503 AND CB4504

Nature: CLAIM OF BUILDERS LIEN  
Registration Number: CB695039  
Registration Date and Time: 2023-06-16 14:36  
Registered Owner: FAIRWAY DEMOLITION LTD.  
INCORPORATION NO. 1138980

**TITLE SEARCH PRINT**

File Reference: 30237/416

101  
2024-08-26, 09:09:25

Requestor: Lily Sung

Nature: CERTIFICATE OF PENDING LITIGATION  
Registration Number: CB1027281  
Registration Date and Time: 2023-11-16 11:42  
Registered Owner: GENESIS MORTGAGE INVESTMENT CORP.

Nature: CLAIM OF BUILDERS LIEN  
Registration Number: BB1551980  
Registration Date and Time: 2024-06-25 11:05  
Registered Owner: LONDON MAH & ASSOCIATES LTD.

**Duplicate Infeasible Title** NONE OUTSTANDING

**Transfers** NONE

**Pending Applications** NONE

**Corrections**

CR49598 2021-06-25 14:15:29 CHARGE ADDED TO TITLE CA7942637

CR49598 2021-06-25 14:15:29 CHARGE ADDED TO TITLE CA7942638

CR49598 2021-06-25 14:15:29 CHARGE ADDED TO TITLE CA7944126

CR49598 2021-06-25 14:15:29 CHARGE ADDED TO TITLE CA7944127

CR49598 2021-06-25 14:15:29 CHARGE ADDED TO TITLE CA7944472

CR49598 2021-06-25 14:15:29 CHARGE ADDED TO TITLE CA7944473

CR49598 2021-06-25 14:15:29 CHARGE REMARKS CORRECTED CA7944472

CR49598 2021-06-25 14:15:29 CHARGE REMARKS CORRECTED CA7944473

CA8027628 CHARGE OWNERSHIP REMARKS CORRECTED CA7942637 2020-02-10 11:12:53

CA8027628 CHARGE OWNERSHIP REMARKS CORRECTED CA7942638 2020-02-10 11:12:53

PARCEL IDENTIFIER (PID): 031-425-909

SHORT LEGAL DESCRIPTION:S/EPP109066/////1

MARG:

TAXATION AUTHORITY:

1 Vancouver, City of

FULL LEGAL DESCRIPTION: CURRENT

LOT 1 BLOCK 51 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER DISTRICT PLAN  
EPP109066

MISCELLANEOUS NOTES:

ASSOCIATED PLAN NUMBERS:

REFERENCE PLAN EPP109066

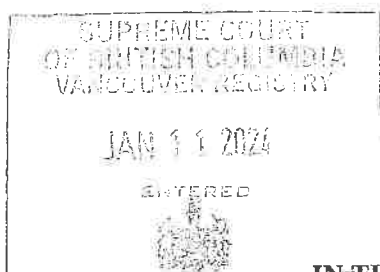
AFB/IFB: MN: N PE: 0 SL: 1 TI: 1

This is **Exhibit "K"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



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A Commissioner for the taking of Affidavits for  
British Columbia



FORM 35 (RULES 8-4(1), 13-1(3) AND 17-1(2))

No. H-230883  
Vancouver Registry**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

GENESIS MORTGAGE INVESTMENT CORP.

Petitioner

AND:

BY THE BAY HOME DEVELOPMENT LTD.  
 DIMEX DEVELOPMENTS INC.  
 DIMEX PROPERTIES INC.  
 SUNDHIR SINGH DHILLON  
 ELNAZ DHILLON  
 FAIRWAY DEMOLITION LTD.  
 JOHN DOE

ALL TENANTS OR OCCUPIERS OF THE SUBJECT LANDS AND PREMISES

Respondents

**ORDER MADE AFTER APPLICATION  
 (ORDER NISI OF FORECLOSURE)**

BEFORE MASTER ROBERTSON ) THURSDAY, JANUARY 11, 2024  
 )

ON THE APPLICATION of the petitioner, GENESIS MORTGAGE INVESTMENT CORP., coming on for hearing on this day at Vancouver, British Columbia, and on hearing Alan A. Frydenlund, K.C., counsel for the petitioner, Benjamin La Borie, counsel for the respondents, BY THE BAY HOME DEVELOPMENT LTD., DIMEX DEVELOPMENTS INC., DIMEX PROPERTIES INC., SUNDHIR SINGH DHILLON and ELNAZ DHILLON, and no-one else appearing although served in accordance with the Rules of Court, and on reading the materials filed herein;

THIS COURT DECLARES AND ORDERS THAT:

1. The loan agreement dated May 27, 2022 made between the respondent, BY THE BAY HOME DEVELOPMENT LTD., as borrower, the respondents, DIMEX DEVELOPMENTS INC., DIMEX PROPERTIES INC., SUNDHIR SINGH DHILLON

and ELNAZ DHILLON, collectively as guarantors, and the petitioner, GENESIS MORTGAGE INVESTMENT CORP, as lender, is an obligation of the said respondents to the petitioner to repay the sum of \$3,500,000.00 plus interest and costs as set out therein (the "**Loan Agreement**").

2. The all indebtedness mortgage and assignment of rents dated June 9, 2022 made between the respondent, BY THE BAY HOME DEVELOPMENT LTD., as borrower, and the petitioner, GENESIS MORTGAGE INVESTMENT CORP., as lender, and registered in the New Westminster Land Title Office on June 15, 2022 under numbers CB4503 and CB4504 (collectively, the "**Mortgage**"), is a mortgage and assignment of rents charging the following lands:

City of Vancouver  
Parcel Identifier: 031-425-909  
Lot 1 Block 51 District Lot 185 Group 1 NWD Plan EPP109066

(the "**Lands**")

to and in favour of the petitioner in priority to the interests therein or claims thereto of the respondents and their respective heirs, executors, administrators, successors and assigns, and any persons claiming by, through or under them.

3. The general security agreement dated June 9, 2022 made between the respondent, BY THE BAY HOME DEVELOPMENT LTD., as debtor, and the petitioner, GENESIS MORTGAGE INVESTMENT CORP., as secured party, and registered in the Personal Property Registry on June 10, 2022 under base registration number 789959N (the "**GSA**"), is a general security agreement charging all of the said respondent's present and after acquired personal property, including, without limitation, equipment, inventory, accounts, intangibles, documents of title, chattel paper, instruments, investment property, money and proceeds wherever situate (collectively, the "**Property**"), to and in favour of the petitioner in priority to the interests therein or claims thereto of the respondents and their respective heirs, executors, administrators, successors and assigns, and any persons claiming by, through or under them.
4. The covenantor agreement dated June 9, 2022 made between the respondents, DIMEX DEVELOPMENTS INC., DIMEX PROPERTIES INC., SUNDHIR SINGH DHILLON and ELNAZ DHILLON, as covenantors, and the petitioner, GENESIS MORTGAGE



INVESTMENT CORP., as lender, is an unconditional guarantee of all present and future indebtedness and liabilities, direct and indirect, absolute and contingent of the respondent, BY THE BAY HOME DEVELOPMENT LTD., to the petitioner including interest and costs (the “**Covenantor Agreement**”).

5. The respondents, BY THE BAY HOME DEVELOPMENT LTD., DIMEX DEVELOPMENTS INC., DIMEX PROPERTIES INC., SUNDHIR SINGH DHILLON and ELNAZ DHILLON, have made default under the Loan Agreement, the Mortgage, the GSA and the Covenantor Agreement (collectively, the “**Security**”) and, as a result, the full balance due and owing thereunder is now due and payable to the petitioner.
6. The amount of money due and owing under the Security and the amount of money required to redeem the Lands and Property is the sum of \$3,798,762.01 as of January 11, 2024 plus per diem interest currently at the rate of \$2,023.51 from and including January 12, 2024 subject to changes in the Royal Bank of Canada’s prime rate declared from time to time (the “**Prime Rate**”) and increases based on monthly compounding.
7. The rate of interest chargeable pursuant to the Security is the greater of:
  - (a) 10.75% per annum; and
  - (b) 7.55% per annum above the Prime Rate, which said prime rate is currently 7.20% per annum;so that the rate of interest chargeable under the Security is currently 14.75% per annum to and including December 31, 2023, and that the rate of interest changes on January 1, 2024, to the rate of interest being the greater of:
  - (c) 15.50% per annum; and
  - (d) 12.30% per annum above the Prime Rate;all compounded monthly, not in advance, to the day of payment, to accrue until the Lands and Property are redeemed or sold, whether or not redemption or sale occurs prior to or after the last date set for redemption.
8. The last date for redemption shall be JANUARY 12, 2024.
9. The petitioner is granted judgment against the respondents, BY THE BAY HOME DEVELOPMENT LTD., DIMEX DEVELOPMENTS INC., DIMEX PROPERTIES

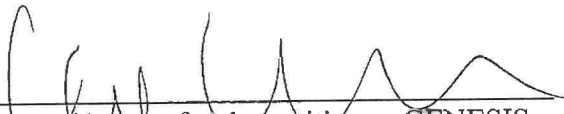
INC., SUNDHIR SINGH DHILLON and ELNAZ DHILLON, jointly and severally, in the sum of \$3,798,762.01 as of January 11, 2024 together with the petitioner's costs in ~~this proceeding on an indemnity basis.~~ *at Scale R.*

10. Upon the respondents, or any of them, paying into court to the credit of this proceeding at 800 Smithe Street, Vancouver, B.C. V6Z 2E1, or paying to the solicitor of record for the petitioner or, if no such solicitor exists then paying to the petitioner, the amount required to redeem the Lands and Property as aforesaid, together with costs of this proceeding at on an indemnity basis on or before pronouncement of either an order absolute of foreclosure or an order confirming the sale of the Lands and Property, the petitioner shall reconvey the Lands and Property free and clear of all encumbrances in favour of them or any person claiming by, through or under them and shall deliver up, upon oath if required, all deeds, titles and documents in their custody, possession or power relating thereto to the respondents so paying or to whom they shall appoint.
11. If Lands and Property not be redeemed, the petitioner shall be at liberty to apply for an order absolute of foreclosure and upon pronouncement of the order absolute of foreclosure the respondents and all persons claiming by, through or under them shall henceforth stand absolutely debarred and foreclosed of and from all right, title, interest and equity of redemption in and to the Lands and Property and all monies paid under the Security shall become the property of the petitioner free from any right of the respondents and that thereupon the petitioner shall recover vacant possession of the Lands and Property.
12. The petitioner is granted liberty to apply to this court for a further summary accounting of any amounts which become due to the petitioner for interest, taxes, arrears of taxes, insurance premiums, costs, charges, expenses or otherwise since the date of pronouncement of this order.
13. All other relief sought in the petition is adjourned generally.

at scale B


14. The petitioner recovers its costs of the proceeding to date ~~on an indemnity basis~~ and the scale of any further costs shall be determined by the Court, and the costs of the proceeding to date and any further costs ordered shall be added to the amount required to redeem the Lands and Property.

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

  
\_\_\_\_\_  
Signature of lawyer for the petitioner, GENESIS MORTGAGE INVESTMENT CORP., Alan A. Frydenlund, K.C.

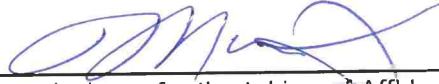
BY THE COURT

  
\_\_\_\_\_  
REGISTRAR

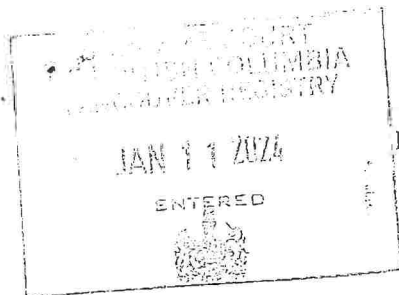
  
\_\_\_\_\_  
Signature of lawyer for the respondents, BY THE BAY HOME DEVELOPMENT LTD., DIMEX DEVELOPMENTS INC., DIMEX PROPERTIES INC., SUNDHIR SINGH DHILLON and ELNAZ DHILLON, Benjamin La Borie



This is **Exhibit "L"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



\_\_\_\_\_  
A Commissioner for the taking of Affidavits for  
British Columbia



FORM 35 (RULES 8-4(1), 13-1(3) AND 17-1(2))

No. H-230883  
Vancouver Registry**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

GENESIS MORTGAGE INVESTMENT CORP.

Petitioner

AND:

BY THE BAY HOME DEVELOPMENT LTD.  
 DIMEX DEVELOPMENTS INC.  
 DIMEX PROPERTIES INC.  
 SUNDHIR SINGH DHILLON  
 ELNAZ DHILLON  
 FAIRWAY DEMOLITION LTD.  
 JOHN DOE

ALL TENANTS OR OCCUPIERS OF THE SUBJECT LANDS AND PREMISES

Respondents

**ORDER MADE AFTER APPLICATION  
(ORDER FOR CONDUCT OF SALE)**BEFORE MASTER ROBERTSON ) THURSDAY, JANUARY 11, 2024  
)

THE APPLICATION of the petitioner, GENESIS MORTGAGE INVESTMENT CORP., coming on for hearing on this day at Vancouver, British Columbia, and upon hearing Alan A. Frydenlund, K.C., counsel for the petitioner, Benjamin La Borie, counsel for the respondents, BY THE BAY HOME DEVELOPMENT LTD., DIMEX DEVELOPMENTS INC., DIMEX PROPERTIES INC., SUNDHIR SINGH DHILLON and ELNAZ DHILLON, and no-one else appearing, although given notice in accordance with the Rules of the Court, and on reading the material filed:

## THIS COURT ORDERS THAT:

1. The lands and premises known and described as:

City of Vancouver

Parcel Identifier: 031-425-909

Lot 1 Block 51 District Lot 185 Group 1 NWD Plan EPP109066

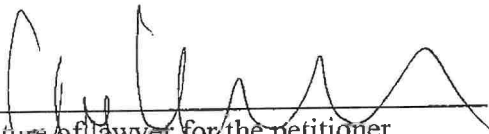
(the "**Lands**")

the subject of the within proceeding, be offered for sale by private sale, free and clear of all encumbrances of the parties, save and except the reservations, provisos, exceptions and conditions expressed in the original grant thereof from the Crown.


2. The petitioner, GENESIS MORTGAGE INVESTMENT CORP., shall have exclusive conduct of the sale and may list the Lands for sale, until further order of the court, and may pay to any real estate agent or firm who arranges a sale of the Lands a real estate commission of either up to seven (7%) percent of the first \$100,000.00 and two and one-half (2½%) percent of the remainder of the gross selling price plus GST, or alternatively, up to three (3%) percent of the gross selling price plus GST, to be paid from the proceeds of the sale.
3. A sale is subject to the approval of the court unless otherwise agreed to in writing by all parties.
4. The respondent, BY THE BAY HOME DEVELOPMENT LTD., or any person or persons on behalf of the said respondent, including any person or persons in possession of the Lands, shall forthwith and until further order of the court, permit any duly authorized agent on behalf of the petitioner, to inspect, appraise, or show to any prospective purchaser or purchasers the Lands, including the interior of the premises, between the hours of 9:00 o'clock in the forenoon and 7:00 o'clock in the afternoon on any day of the week, except statutory holidays, commencing forthwith, and to post signs on the Lands stating that the Lands are offered for sale.

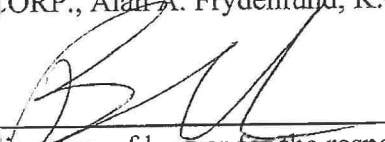
5. The petitioner, GENESIS MORTGAGE INVESTMENT CORP., is awarded its costs of ~~this application on an indemnity basis.~~ *at sale B<sub>1</sub>*

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

  
\_\_\_\_\_  
Signature of lawyer for the petitioner,  
GENESIS MORTGAGE INVESTMENT  
CORP., Alan A. Frydenlund, K.C.

BY THE COURT

  
\_\_\_\_\_  
REGISTRAR

  
\_\_\_\_\_  
Signature of lawyer for the respondents, BY  
THE BAY HOME DEVELOPMENT LTD.,  
DIMEX DEVELOPMENTS INC., DIMEX  
PROPERTIES INC., SUNDHIR SINGH  
DHILLON and ELNAZ DHILLON, Benjamin  
La Borie



This is **Exhibit "M"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



A Commissioner for the taking of Affidavits for  
British Columbia



453 West 12th Avenue  
Vancouver BC V5Y 1V4

**CITY OF VANCOUVER**  
**PROPERTY TAX CERTIFICATE**

Within Vancouver, call 604.873.1414  
Outside Vancouver, call 604.873.7000  
TTY Service, call 7-1-1

Printed: Aug 26, 2024  
Number: 321780

\*\*\* PLEASE REVIEW THE 'IMPORTANT PROPERTY COMMENTS' IN CONJUNCTION WITH THE OTHER INFORMATION BELOW.\*\*\*

For BC ONLINE  
30237/416

<b>Owner</b>	<b>Property</b>	
BY THE BAY HOME DEVELOPMENT LTD 610-1155 PENDER ST W VANCOUVER BC V6E 2P4	<b>Folio:</b> 115-613-97-0000 <b>Pid:</b> 031-425-909	<b>LTO No.:</b> CA9091259 <b>MHR No.:</b>
	<b>Civic:</b> 1289 NICOLA ST <b>Legal:</b> LOT 1 BLOCK 51 PLAN EPP109066 DISTRICT LOT 185 NWD GROUP 1 <b>Status:</b> ACTIVE	

2024 Assessments			Land	Improvements	Total
<b>Value Set</b>	<b>Assessment Class</b>	<b>Value Type</b>			
GENERAL	Residential	GROSS	4,767,000	0	4,767,000
GENERAL	Residential	EXEMPT	0	0	0

2024 Levies, Grants, Deferrals		Property Taxes Owing As At Aug 26, 2024		2025 Instalments	
Total Levy	<b>20,394.30</b>	Delinquent (2021)	0.00	Payments Made	0.00
Grant Available		Arrears 2 (2022)	0.00	Interest Earned	0.00
65 and over	0.00	Arrears (2023)	0.00	Adjustments	0.00
Under 65	0.00	Interest to Aug 26, 2024	0.00	<b>Balance as at</b>	
		Current (2024)	<u>20,394.30</u>	<b>Aug 26, 2024</b>	<b>0.00</b>
<b>Grant Claimed</b>	<b>0.00</b>		20,394.30		
<b>Deferred</b>	<b>0.00</b>	Penalties	<u>1,382.12</u>		
		<b>Total Taxes Owing</b>	<u><u><b>21,776.42</b></u></u>		

**Empty Homes Tax (Vacancy Tax)**

**Potential Liabilities**

Reference Period	Declaration Status	Amount	Notes
2024	Declaration period not yet open		
2023	DECLARED EXEMPT		

**Utilities Charged on Taxes**

The following charges are included in the Total Tax Levy indicated above:

Description of Charge	Amount	Covers
GARBAGE CART 180L	604.00	01-Jan-24 31-Dec-24
GREEN BIN 120L	477.00	01-Jan-24 31-Dec-24
STREET CLEANING	96.00	01-Jan-24 31-Dec-24

**Metered Utilities for Account 5008195**

Service to this account is billed every four months.

Unpaid Arrears	0.00			
Balance of Last Bill - Due <b>Aug 21, 2024</b>	0.00	Charges on Last Bill		40.61
		Total Discount	1.93	-1.93
<b>Account Balance as at Aug 26, 2024</b>	<u><u><b>0.00</b></u></u>			
		Payments Applied		-38.68
		Penalties		0.00
		Adjustments		0.00

**Important Property Comments**

CURRENT Property tax outstanding after due date will incur a 5% penalty.

GENERAL Information on local improvements, meter or other charges should not be overlooked by the realtors, conveyancers or purchasers. Property purchasers should be afforded all information which can be obtained on their behalf. Please contact the Tax Office for further enquiries.

This information has been generated from our computerized records and to the best of our knowledge is complete and up to date. However, the City of Vancouver assumes no responsibility should any information be inaccurate or misleading as a result of negligence or otherwise. The City shall not be estopped from enforcing its rights to the fullest, as though this information had not been relied upon.

This is **Exhibit "N"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



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A Commissioner for the taking of Affidavits for  
British Columbia



Builders Lien Act  
**Claim of Lien**  
Province of British Columbia

NEW WESTMINSTER LAND TITLE OFFICE  
JUN 16 2023 14:36:14.001  
**CB695039**

Application

Document Fees: \$0.00

**Joseph Valerio Notary Public**  
212-4885 Kingsway  
Burnaby BC V5H 4T2  
604.568.5185

I, **Milan Kovacevic** of **7858 Welsley Drive, Burnaby BC V5E 3X5**, agent of the lien claimant state that:

- FAIRWAY DEMOLITION LTD. , Inc No 1138980** of **7858 Welsley Drive, Burnaby BC V5E 3X5** claims a lien against the following land:

PID/Plan Number	Legal Description
<b>031-425-909</b>	<b>LOT 1 BLOCK 51 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER DISTRICT PLAN EPP109066</b>

- A general description of the work done or material supplied, or to be done or supplied, or both, is as follows:  
**Abatement & demolition and related services**
- The person who engaged the lien claimant, or to whom the lien claimant supplied material, and who is or will become indebted to the lien claimant is:  
**Dimex Group & BY THE BAY HOME DEVELOPMENT LTD.**
- The sum of **\$124,000.00** is or will become due and owing to **FAIRWAY DEMOLITION LTD.** on **2023-06-16**
- The lien claimant's address for service is:  
**7858 Welsley Drive, Burnaby BC V5E 3X5**

Signature  
X

Date (YYYY-MM-DD)  
**2023-06-16**

**Note:** Section 45 of the *Builders Lien Act* provides as follows:

- 45 (1) A person who knowingly files or causes an agent to file claim of lien containing a false statement commits an offence.
- (2) A person who commits an offence under subsection (1) is liable to a fine not exceeding the greater of \$2,000 and the amount by which the stated claim exceeds the actual claim.

**Electronic Signature**

Your electronic signature is a representation that you are a designate authorized to certify this document under section 168.4 of the *Land Title Act*, RSBC 1996 c.250, that you certify this document under section 168.41(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

**Joseph Valerio**  
**BUBY1T**

Digitally signed by  
Joseph Valerio BUBY1T  
Date: 2023-06-16  
14:35:56 -07:00

This is **Exhibit "O"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



\_\_\_\_\_  
A Commissioner for the taking of Affidavits for  
British Columbia

25 JUN 2024 11:05

BB1551980

Builders Lien Act  
**FORM 5**  
(sections 15, 16, 18)

**CLAIM OF LIEN**

I, James Mah (agent of the lien claimant) [claimant] of  
#103 – 1847 West Broadway [address], British Columbia,

[if claim is made by an agent, insert here "agent of the lien claimant"] state that:

1. London Mah & Associates Ltd. [claimant] of  
#103 – 1847 West Broadway, Vancouver, BC [address], British

Columbia, claims a lien against the following land:

PID: 031-425-909

Legal Description: Lot 1, Block 51, District Lot 185, Group 1, New Westminster District  
Plan EPP109066

*[Insert legal description here or, if a lien is claimed under section 16 against more than one parcel of land, insert the legal description of all parcels of land against which the lien is claimed. If insufficient space is provided, attach a schedule. If the claim of lien is to be filed in the gold commissioner's office, insert the name of the mineral title, its tenure number and the name of the mining division.]*

2. A general description of the work done or material supplied, or to be done or supplied, or both, is as follows:

Site visit to ascertain existing conditions, engineering design and preparation of drawings (for construction), revisions to suit crane opening, redesigns & revisions to suit "raker system" resulting from "non-encroachment" to adjacent property, more revisions as directed by the Architect + disbursements such as plotting & printing of drawings and courier charges + GST

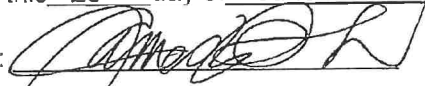
3. The person who engaged the lien claimant, or to whom the lien claimant supplied material, and who is or will become indebted to the lien claimant is:

By The Bay Home Development Ltd., Inc. No. BC1081074

4. The sum of \$ 69,996.13 is or will become due and owing to London Mah & Associates Ltd. on June 19, 2024

5. The lien claimant's address for service is: #103 – 1847 West Broadway  
Vancouver, BC, V6J 1Y6

Dated: this 25 day of June, 20 24

Signed: 

Note: Section 45 of the Builders Lien Act provides as follows:

45 (1) A person who knowingly files or causes an agent to file a claim of lien containing a false statement commits an offence.

(2) A person who commits an offence under subsection (1) is liable to a fine not exceeding the greater of \$2,000 and the amount by which the stated claim exceeds the actual claim.

25 JUN 2024 11 05

BB1551980

DO NOT WRITE ABOVE THIS LINE – LAND TITLE USE ONLY

Date: June 25, 2024

To: Registrar  
Land Title and Survey Authority of BC

Please receive the following document(s) for filing:

Form 5 Claim of Lien

Fee Payable: \$ \_\_\_\_\_

  
Signature

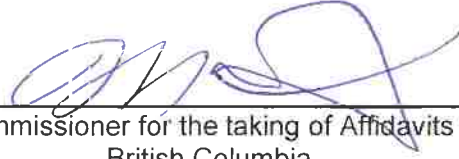
NAME OF APPLICANT: Jinder Virdee (London Mah & Associates Ltd.)

ADDRESS: #103 – 1847 West Broadway

Vancouver, BC, V6J 1Y6

TELEPHONE:  

This is **Exhibit "P"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



A Commissioner for the taking of Affidavits for  
British Columbia



**BC Registry  
Services**

Mailing Address:  
PO Box 9431 Stn Prov Govt  
Victoria BC V8W 9V3  
[www.corporateonline.gov.bc.ca](http://www.corporateonline.gov.bc.ca)

Location:  
2nd Floor - 940 Blanshard Street  
Victoria BC  
1 877 526-1526

## BC Company Summary

For  
**BY THE BAY HOME DEVELOPMENT LTD.**

**Date and Time of Search:** August 26, 2024 09:33 AM Pacific Time  
**Currency Date:** May 09, 2024

### ACTIVE

**Incorporation Number:** BC1081074  
**Name of Company:** BY THE BAY HOME DEVELOPMENT LTD.  
**Business Number:** 763085891 BC0001  
**Recognition Date and Time:** Incorporated on June 28, 2016 04:45 PM Pacific Time      **In Liquidation:** No  
**Last Annual Report Filed:** June 28, 2024      **Receiver:** No

### COMPANY NAME INFORMATION

<b>Previous Company Name</b>	<b>Date of Company Name Change</b>
1081074 B.C. LTD.	March 14, 2017

### REGISTERED OFFICE INFORMATION

<b>Mailing Address:</b>	<b>Delivery Address:</b>
SUITE 2388 METROTOWER II	SUITE 2388 METROTOWER II
4720 KINGSWAY	4720 KINGSWAY
BURNABY BC V5H 4N2	BURNABY BC V5H 4N2
CANADA	CANADA

### RECORDS OFFICE INFORMATION

<b>Mailing Address:</b>	<b>Delivery Address:</b>
SUITE 2388 METROTOWER II	SUITE 2388 METROTOWER II
4720 KINGSWAY	4720 KINGSWAY
BURNABY BC V5H 4N2	BURNABY BC V5H 4N2
CANADA	CANADA

### DIRECTOR INFORMATION



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

Dhillon, Sundhir Singh

**Mailing Address:**610 - 1155 WEST PENDER STREET  
VANCOUVER BC V6E 2P4  
CANADA**Delivery Address:**610 - 1155 WEST PENDER STREET  
VANCOUVER BC V6E 2P4  
CANADA

---

**OFFICER INFORMATION AS AT June 28, 2024****Last Name, First Name, Middle Name:**

DHILLON, SUNDHIR SINGH

**Office(s) Held:** (Secretary)**Mailing Address:**610 - 1155 WEST PENDER ST.  
VANCOUVER BC V6E 2P4  
CANADA**Delivery Address:**610 - 1155 WEST PENDER ST.  
VANCOUVER BC V6E 2P4  
CANADA

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

DHILLON, SUNDHIR SINGH

**Office(s) Held:** (President)**Mailing Address:**610 - 1155 WEST PENDER ST.  
VANCOUVER BC V6E 2P4  
CANADA**Delivery Address:**610 - 1155 WEST PENDER ST.  
VANCOUVER BC V6E 2P4  
CANADA

This is **Exhibit "Q"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



A Commissioner for the taking of Affidavits for  
British Columbia

**PERSONAL PROPERTY REGISTRY SEARCH RESULT**  
BC Registries and Online Services

**Business Debtor - "BY THE BAY HOME DEVELOPMENT LTD."**

**Search Date and Time:** August 26, 2024 at 9:36:58 am Pacific time  
**Account Name:** BLAKE, CASSELS & GRAYDON LLP

**TABLE OF CONTENTS**

2 Matches in 2 Registrations in Report

Exact Matches: 2 (\*)

Total Search Report Pages: 8

	<b>Base Registration</b>	<b>Base Registration Date</b>	<b>Debtor Name</b>	<b>Page</b>
1	<a href="#">900737L</a>	November 19, 2019	<b>* BY THE BAY HOME DEVELOPMENT LTD</b>	<a href="#">2</a>
2	<a href="#">789959N</a>	June 10, 2022	<b>* BY THE BAY HOME DEVELOPMENT LTD.</b>	<a href="#">7</a>

**PERSONAL PROPERTY REGISTRY SEARCH RESULT**  
BC Registries and Online Services

**Base Registration Number: 900737L**

**Registration Description:** PPSA SECURITY AGREEMENT  
**Act:** PERSONAL PROPERTY SECURITY ACT  
**Base Registration Date and Time:** November 19, 2019 at 10:32:04 am Pacific time  
**Current Expiry Date and Time:** November 19, 2027 at 11:59:59 pm Pacific time  
 Expiry date includes subsequent registered renewal(s)  
**Trust Indenture:** No

**CURRENT REGISTRATION INFORMATION**

(as of August 26, 2024 at 9:36:58 am Pacific time)

**Secured Party Information**

**NATIONAL BANK OF CANADA**

**Address**

311-6TH AVENUE SW, 6TH FLOOR  
 CALGARY AB  
 T2P 3H2 Canada

**Debtor Information**

**BY THE BAY HOME DEVELOPMENT LTD**

**Address**

610-1155 WEST PENDER STREET  
 VANCOUVER BC  
 V6E 2P4 Canada

**Vehicle Collateral**

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2012	LAND ROVER / RANGE	SALMFIE40CA364041

## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

### General Collateral

March 31, 2022 at 2:49:32 pm Pacific time

#### DELETED

ALL PRESENT AND AFTER-ACQUIRED GOODS, INVESTMENT PROPERTY, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES, MONEY, CROPS, LICENCES AND ACCOUNTS LOCATED ON, SITUATE ON, ARISING FROM, RELATING TO OR USED IN CONNECTION WITH THE REAL PROPERTIES LOCATED AT: (I) 1509 HARWOOD STREET, VANCOUVER, BRITISH ,COLUMBIA, LEGALLY DESCRIBED AS PID: 003-511-995, STRATA LOT 1, DISTRICT LOT 185, STRATA PLAN VR. 152; (II) 1517 HARWOOD STREET, VANCOUVER, BRITISH COLUMBIA, LEGALLY DESCRIBED AS PID: 003-512-002, STRATA LOT 2, DISTRICT LOT 185, STRATA PLAN VR. 152; (III) 1525 HARWOOD STREET, VANCOUVER, BRITISH COLUMBIA, LEGALLY DESCRIBED ,AS PID: 003-512-045, STRATA LOT 3, DISTRICT LOT 185, STRATA PLAN VR. 152; AND (IV) 1533 HARWOOD STREET, VANCOUVER, BRITISH COLUMBIA, LEGALLY DESCRIBED AS PID: 003-512-134, STRATA LOT 4, DISTRICT LOT 185, STRATA PLAN VR. 152; ALL PROCEEDS INCLUDING ACCOUNTS, MONEY, CHATTEL PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, INSTRUMENTS, INVESTMENT PROPERTY, SUBSTITUTIONS, CROPS, LICENCES, TRADE INS, INSURANCE PROCEEDS AND ANY OTHER FORM OF PROCEEDS.

#### ADDED

ALL PRESENT AND AFTER-ACQUIRED GOODS, INVESTMENT PROPERTY, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES, MONEY, CROPS, LICENCES AND ACCOUNTS LOCATED ON, SITUATE ON, ARISING FROM, RELATING TO OR USED IN CONNECTION WITH THE REAL PROPERTY LOCATED AT 1289 NICOLA STREET, VANCOUVER, BRITISH COLUMBIA, LEGALLY DESCRIBED AS PID: 031-425-909, LOT 1 BLOCK 51 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER DISTRICT PLAN EPP109066;  
ALL PROCEEDS INCLUDING ACCOUNTS, MONEY, CHATTEL PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, INSTRUMENTS, INVESTMENT PROPERTY, SUBSTITUTIONS, CROPS, LICENCES, TRADE INS, INSURANCE PROCEEDS AND ANY OTHER FORM OF PROCEEDS.

#### Base Registration General Collateral:

ALL PRESENT AND AFTER-ACQUIRED GOODS, INVESTMENT PROPERTY, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES, MONEY, CROPS, LICENCES AND ACCOUNTS LOCATED ON, SITUATE ON, ARISING FROM, RELATING TO OR USED IN CONNECTION WITH THE REAL PROPERTIES LOCATED AT: (I) 1509 HARWOOD STREET, VANCOUVER, BRITISH ,COLUMBIA, LEGALLY DESCRIBED AS PID: 003-511-995, STRATA LOT 1, DISTRICT LOT 185, STRATA PLAN VR. 152; (II) 1517 HARWOOD STREET, VANCOUVER, BRITISH COLUMBIA, LEGALLY DESCRIBED AS PID: 003-512-002, STRATA LOT 2, DISTRICT LOT 185, STRATA PLAN VR. 152; (III) 1525 HARWOOD STREET, VANCOUVER, BRITISH COLUMBIA, LEGALLY DESCRIBED ,AS PID: 003-512-045, STRATA LOT 3, DISTRICT LOT 185, STRATA PLAN VR. 152; AND (IV) 1533 HARWOOD STREET, VANCOUVER, BRITISH COLUMBIA, LEGALLY DESCRIBED AS PID: 003-512-134, STRATA LOT 4, DISTRICT LOT 185, STRATA PLAN VR. 152; ALL



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

PROCEEDS INCLUDING ACCOUNTS, MONEY, CHATTEL PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, INSTRUMENTS, INVESTMENT PROPERTY, SUBSTITUTIONS, CROPS, LICENCES, TRADE INS, INSURANCE PROCEEDS AND ANY OTHER FORM OF PROCEEDS.

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### Original Registering Party

**BORDEN LADNER GERVAIS LLP**

**Address**

1200-200 BURRARD STREET  
VANCOUVER BC  
V7X 1T2 Canada

## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

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### HISTORY

(Showing most recent first)

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#### RENEWAL

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**Registration Date and Time:** March 31, 2022 at 2:50:57 pm Pacific time  
**Registration Number:** 635762N  
**Registration Life:** 3 Years  
**New Expiration Date and Time:** November 19, 2027 at 11:59:59 pm Pacific time

#### Registering Party Information

**BORDEN LADNER GERVAIS LLP  
(VANCOUVER)**

**Address**

BOX 48600 1200 WATERFRONT CENTRE  
200 BURRARD STREET  
VANCOUVER BC  
V7X 1T2 Canada

#### AMENDMENT - COLLATERAL AMENDED

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**Registration Date and Time:** March 31, 2022 at 2:49:32 pm Pacific time  
**Registration Number:** 635756N  
**Description:**

## General Collateral

March 31, 2022 at 2:49:32 pm Pacific time

### DELETED

ALL PRESENT AND AFTER-ACQUIRED GOODS, INVESTMENT PROPERTY, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES, MONEY, CROPS, LICENCES AND ACCOUNTS LOCATED ON, SITUATE ON, ARISING FROM, RELATING TO OR USED IN CONNECTION WITH THE REAL PROPERTIES LOCATED AT: (I) 1509 HARWOOD STREET, VANCOUVER, BRITISH COLUMBIA, LEGALLY DESCRIBED AS PID: 003-511-995, STRATA LOT 1, DISTRICT LOT 185, STRATA PLAN VR. 152; (II) 1517 HARWOOD STREET, VANCOUVER, BRITISH COLUMBIA, LEGALLY DESCRIBED AS PID: 003-512-002, STRATA LOT 2, DISTRICT LOT 185, STRATA PLAN VR. 152; (III) 1525 HARWOOD STREET, VANCOUVER, BRITISH COLUMBIA, LEGALLY DESCRIBED AS PID: 003-512-045, STRATA LOT 3, DISTRICT LOT 185, STRATA PLAN VR. 152; AND (IV) 1533 HARWOOD STREET, VANCOUVER, BRITISH COLUMBIA, LEGALLY DESCRIBED AS PID: 003-512-134, STRATA LOT 4, DISTRICT LOT 185, STRATA PLAN VR. 152; ALL PROCEEDS INCLUDING ACCOUNTS, MONEY, CHATTEL PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, INSTRUMENTS, INVESTMENT PROPERTY, SUBSTITUTIONS, CROPS, LICENCES, TRADE INS, INSURANCE PROCEEDS AND ANY OTHER FORM OF PROCEEDS.

### ADDED

ALL PRESENT AND AFTER-ACQUIRED GOODS, INVESTMENT PROPERTY, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES, MONEY, CROPS, LICENCES AND ACCOUNTS LOCATED ON, SITUATE ON, ARISING FROM, RELATING TO OR USED IN CONNECTION WITH THE REAL PROPERTY LOCATED AT 1289 NICOLA STREET, VANCOUVER, BRITISH COLUMBIA, LEGALLY DESCRIBED AS PID: 031-425-909, LOT 1 BLOCK 51 DISTRICT LOT 185 GROUP 1 NEW WESTMINSTER DISTRICT PLAN EPP109066;  
ALL PROCEEDS INCLUDING ACCOUNTS, MONEY, CHATTEL PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, INSTRUMENTS, INVESTMENT PROPERTY, SUBSTITUTIONS, CROPS, LICENCES, TRADE INS, INSURANCE PROCEEDS AND ANY OTHER FORM OF PROCEEDS.

## Registering Party Information

**BORDEN LADNER GERVAIS LLP  
(VANCOUVER)**

### Address

BOX 48600 1200 WATERFRONT CENTRE  
200 BURRARD STREET  
VANCOUVER BC  
V7X 1T2 Canada



## PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

**Base Registration Number: 789959N**

**Registration Description:** PPSA SECURITY AGREEMENT  
**Act:** PERSONAL PROPERTY SECURITY ACT  
**Base Registration Date and Time:** June 10, 2022 at 11:48:11 am Pacific time  
**Current Expiry Date and Time:** June 10, 2026 at 11:59:59 pm Pacific time  
Expiry date includes subsequent registered renewal(s)  
**Trust Indenture:** No

### CURRENT REGISTRATION INFORMATION

(as of August 26, 2024 at 9:36:58 am Pacific time)

#### Secured Party Information

**GENESIS MORTGAGE INVESTMENT  
CORP.** **Address**  
8400 WEST ROAD, #805  
RICHMOND BC  
V6X 0S7 Canada

#### Debtor Information

**BY THE BAY HOME DEVELOPMENT  
LTD.** **Address**  
4720 KINGSWAY, SUITE 2388  
BURNABY BC  
V5H 4N2 Canada

#### Vehicle Collateral

None

#### General Collateral

**Base Registration General Collateral:**

ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY AND AN  
UNCRYSTALLIZED FLOATING CHARGE ON LAND.



# PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

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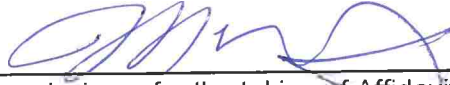
## Original Registering Party

**LAWSON LUNDELL**

### Address

925 WEST GEORGIA STREET  
SUITE 1600  
VANCOUVER BC  
V6C 3L2 Canada

This is **Exhibit "R"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



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A Commissioner for the taking of Affidavits for  
British Columbia



February 28, 2024

**By The Bay Home Development Ltd.**  
610 – 1155 West Pender Street  
Vancouver, BC, V6E 2P4

**Dimex Properties Inc.**  
610 – 1155 West Pender Street  
Vancouver, British Columbia, V6E 2P4

**Dimex Developments Inc.**  
610 – 1155 West Pender Street  
Vancouver, British Columbia, V6E 2P4

**Sundhir Dhillon**  
#1401 – 555 Jervis Street  
Vancouver, British Columbia, V6E 4N1

**Attention: Mr. Sundhir (Sunny) Dhillon**

**RE: Notice of Default and Reservation of Rights**

Dear Sirs/Mesdames,

We refer to the Loan Agreement dated October 2, 2019, as amended by an amending agreement dated March 9, 2022, and an amending agreement dated June 1, 2022 (collectively, as may be further amended, revised, restated, replaced or modified from time to time, the “**Loan Agreement**”) between By The Bay Home Development Ltd. (the “**Borrower**”), as borrower, and National Bank of Canada (the “**Bank**”), as lender.

In connection with the Loan Agreement (among other things):

- (a) the Borrower granted in favour of the Bank a collateral mortgage (containing an assignment of rents) (as modified, the “**Mortgage**”) charging the real property located at 1289 Nicola Street, Vancouver, BC and legally described as PID: 031-425-909, Lot 1 Block 51 District Lot 185 Group 1 New Westminster District Plan EPP109066 (the “**Property**”), which was registered in the New Westminster Land Title Office on December 19, 2019 under Registration Nos. CA7942637 (as a mortgage) and CA7942638 (as an assignment of rents), as modified, to secure a principal amount of \$16,550,000.00 plus interest and expenses;
- (b) the Borrower granted in favour of the Bank a site-specific security agreement encumbering all present and after-acquired personal property of the Borrower situated on, or used in connection with, the Property; and
- (c) each of Dimex Properties Inc., Dimex Developments Inc. and Sundhir Dhillon (collectively, the “**Guarantors**”) guaranteed the payment and performance by the Borrower of its obligations under the Loan Agreement, in each case pursuant to the terms of certain guarantees granted by each of the Guarantors (collectively, the “**Guarantees**”).

We send this letter to draw your urgent attention to the fact that the Borrower has been, and continues to be, in default under certain terms and conditions of the Loan Agreement. In particular, we note the following covenant breaches or other defaults:

- (a) the Property is the subject of foreclosure proceedings in the Supreme Court of British Columbia (Vancouver Registry No. H-230883) commenced by a subordinate mortgage holder, Genesis

Mortgage Investment Corp., as petitioner, for which an Order Nisi of Foreclosure and an order for exclusive conduct of sale were granted on January 11, 2024; and

- (b) the Borrower has failed, refused or neglected to pay interest for the months of September 2023 through February 2024, with a total amount of accrued interest equal to \$322,289.96 now in arrears as of March 1, 2024.

(together, the “Events of Default”).

The foregoing Events of Default have occurred and are continuing, and have not been waived by the Bank. As such, the Bank has no obligation to continue extending credit, has the right to refuse making any further advances to the Borrower, and is entitled to demand immediate repayment of the obligations under the Loan Agreement and to enforce on any corresponding security, mortgages or guarantees (including, without limitation, the Mortgage and Guarantees referred to above).

We urge you to contact the undersigned, your contact at the Bank regarding the Events of Default, as soon as possible so we can resolve these matters in a timely and constructive manner. In that regard, **please reach out to the undersigned by phone or email by no later than March 1, 2024.**

Notwithstanding the foregoing, this letter and all matters referred to herein shall in no way affect, prejudice or constitute a release or waiver of any claim or claims that the Bank may have against the Borrower, the Guarantors, or any other guarantors under the Loan Agreement (including, without limitation, the right to demand and receive immediate repayment in-full of all obligations outstanding under and related to the Loan Agreement and to take immediate enforcement steps with respect to the Mortgage, any other security, or the Guarantees).

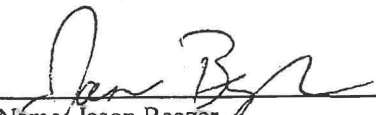
The Bank reserves all rights and remedies with respect to the Events of Default listed above, and this letter shall not constitute a waiver of any such Events of Default or any other default or breach that may be existing. The Bank further reserves any and all rights and remedies available to it under the Loan Agreement, any security, mortgages or guarantees granted in connection therewith (including, without limitation, the Mortgage and Guarantees), and under applicable law. No covenant waiver shall be effective unless in writing and signed by the Bank, and in that case such waiver shall be effective only in the specific instance(s) and for the specific purpose(s) for which it is given.

Please contact the undersigned as soon as possible to resolve these matters.

Yours truly,

**NATIONAL BANK OF CANADA,**  
by its authorized signatory:

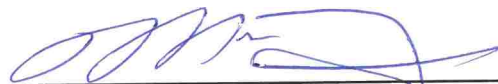
Per:

  
Name: Jason Beazer  
Title: Director

Phone: (604) 219-4043

Email: [Jason.beazer@nbc.ca](mailto:Jason.beazer@nbc.ca)

This is **Exhibit "S"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



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A Commissioner for the taking of Affidavits for  
British Columbia



Blake, Cassels & Graydon LLP  
 Barristers & Solicitors  
 Patent & Trademark Agents  
 1133 Melville Street  
 Suite 3500, The Stack  
 Vancouver, B.C. V6E 4E5 Canada  
 Tel: 604-631-3300 Fax: 604-631-3309

August 2, 2024

**VIA COURIER**

**Peter Rubin\***

Dir: 604-631-3315  
 peter.rubin@blakes.com  
 \*Law Corporation

Reference: 30237/409

**By The Bay Home Development Ltd.**

610 – 1155 West Pender Street  
 Vancouver, BC V6E 2P4

2388 – 4720 Kingsway  
 Burnaby, BC V5H 4N2

**Dimex Developments Inc.**

610 – 1155 West Pender Street  
 Vancouver, BC V6E 2P4

2388 – 4720 Kingsway  
 Burnaby, BC V5H 4N2

**Dimex Properties Inc.**

610 – 1155 West Pender Street  
 Vancouver, BC V6E 2P4

2388 – 4720 Kingsway  
 Burnaby, BC V5H 4N2

**Sundhir Dhillon**

610 – 1155 West Pender Street  
 Vancouver, BC V6E 2P4

**Attention: Mr. Sundhir (Sunny) Dhillon**

**RE: Demand for Payment, Demand on Guarantees and Notice of Existing Defaults**

Dear Sirs/Mesdames:

We are legal counsel to National Bank of Canada (the "**Bank**").

We write with respect to the following:

- (a) The Loan Agreement dated October 2, 2019, as amended by an amending agreement dated March 9, 2022, and an amending agreement dated June 1, 2022 (collectively, as may be further amended, revised, restated, replaced or modified from time to time, the "**Loan Agreement**") between:
  - i. By The Bay Home Development Ltd. as borrower (the "**Borrower**"); and
  - ii. the Bank as lender.
- (b) the letter of guarantee dated June 9, 2022 between Dimex Properties Inc. ("**DPI**") as guarantor and the Bank (the "**DPI Guarantee**");
- (c) the letter of guarantee dated June 9, 2022 between Dimex Developments Inc. ("**DDI**") as guarantor and the Bank (the "**DDI Guarantee**");



- (d) the letter of guarantee dated June 9, 2022 between Sundhir Dhillon (together with DPI and DDI, the "**Guarantors**") as guarantor and the Bank (the "**Dhillon Guarantee**", together with the DPI Guarantee and the DDI Guarantee, the "**Guarantees**");
- (e) the first-ranking collateral mortgage over the real property located at 1289 Nicola Street, Vancouver, BC and legally described as PID: 031-425-909, Lot 1 Block 51 District Lot 185 Group 1 New Westminster District Plan EPP109066 (the "**Property**"), registered December 19, 2019, as amended from time to time (the "**Mortgage**"), granted by the Borrower in favour of the Bank; and
- (f) the general security agreement dated December 12, 2019 (the "**GSA**") granted by the Borrower to the Bank.

We also refer to the Notice of Default and Reservation of Rights letter dated February 28, 2024, from the Bank to the Borrowers and Guarantors (the "**Default Letter**") pursuant to which the Bank advised the Borrower and the Guarantors, among other things, that:

- (a) the Borrower has been, and continues to be, in default under the Loan Agreement, by allowing the Property to become the subject of foreclosure proceedings commenced by a subordinate mortgage holder, Genesis Mortgage Investment Corp.; and by failing to pay interest for the months of September 2023 through February 2024, with accrued interest totaling \$322,289.96 as of March 1, 2024 (the "**Defaults**").
- (b) the Bank has no obligation to continue extending credit, has the right to refuse making any further advances to the Borrower, and is entitled to demand immediate repayment of the obligations under the Loan Agreement and to enforce on any corresponding security, mortgages or guarantees.

As of the date of this letter, additional defaults have occurred, including but not limited to the following:

- (a) the Borrower continues to be in default under the Loan Agreement by failing to pay interest for the months of February 2024 through to August 2024, with accrued interest totaling \$518,912.59 as of August 2, 2024;
- (b) the Borrower failed to promptly notify the Bank that two claims of builders' lien were registered against title to the Property, and further failed to take steps to provide the Bank with satisfactory assurance that it would be fully and continually protected from the effect of such liens, in breach of section 9(5) of the Loan Agreement;
- (c) an encumbrancer has brought foreclosure proceedings to enforce against the Property, in breach of Schedule A, Section 10(g) of the Loan Agreement; and
- (d) the Borrower failed to pay 2024 property taxes for the Property, with an amount of \$21,776.42 outstanding, in breach of Schedule A, section 7(f) of the Loan Agreement.

(together, the "**Additional Defaults**").





We write to provide the Borrowers and Guarantors with notice that the Defaults and Additional Defaults remain continuing Events of Default under the Loan Agreement which have not been remedied as of the date of this letter. The time period over which interest has not been paid now extends from September 2023 through August 2024. The Bank reiterates that it has no obligation to make further advances or other accommodation under the Loan Agreement.

The total indebtedness outstanding under the Loan Agreement includes the outstanding principal, plus all accrued and accruing interest, fees, indemnities, legal fees, prepayment penalties and other amounts payable, each of which shall continue to accrue and be determined at the date of pay-out, by the Borrower under the Loan Agreement and any other documents, instruments, and agreements executed pursuant thereto or in connection therewith from time to time (collectively, the “**Indebtedness**”). The Indebtedness as of August 2, 2024, is CAD \$7,443,924.88, but which continues to increase.

Pursuant to the Loan Agreement and the Guarantees, the Borrower and the Guarantors jointly and severally guarantee payment to the Bank of all present and future debts and liabilities of the Borrower, including all costs and disbursements incurred by the Bank in recovering or attempting to recover said debts and liabilities. We further note that failure by the Borrower and the Guarantors to pay the Bank any outstanding indebtedness pursuant to the Loan Agreement is itself an Event of Default under the Loan Agreement.

We also write to provide notice of events of default under the GSA and Mortgage, including as set out in this letter, that have not been remedied. Pursuant to the GSA and Mortgage, an event of default occurs including but not limited to where the Borrower fails to pay or perform or observe any obligation, covenant, term, provision or condition contained in the GSA, Mortgage, or any other agreement, security instrument or other document made by the Borrower with or in favour of the Bank, among others.

We hereby demand that the Borrower and/or the Guarantors, pursuant to the Guarantees, pay the Indebtedness to the Bank **within ten (10) days of the date of this letter** (i.e., by no later than **August 12, 2024**), including any additional amounts that have accrued by that date. Should the Indebtedness not be paid to the Bank by this date, the Bank may take steps to enforce its legal rights under the Loan Agreement and any other documents, instruments, and agreements executed pursuant thereto or in connection therewith from time to time, and otherwise at law or in equity without further notice.

We confirm that the Bank has not waived, and hereby expressly reserves, its rights to take all further and additional actions available to the Bank under the Loan Agreement, the GSA, the Guarantees, the Mortgage, or any other documents, instruments, and agreements executed pursuant thereto or in connection therewith, and at law, or in equity, including, among other available relief, without limitation: (a) judgment against the Borrower and/or the Guarantors, jointly and severally, for the amounts owing to the Bank; (b) an order appointing a receiver over the assets, undertakings, and/or property of the Borrower and/or the Guarantors; and/or (c) all other remedies afforded by law, in equity, or under the Loan Agreement, the GSA, the Guarantees, the Mortgage, or any other documents, instruments, and any agreements executed pursuant thereto or in connection therewith from time to time, to which the Bank is entitled with respect to the recovery of the amounts owing by the Borrower.



Page 4

Please also see the enclosed notice pursuant to section 244 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.

Yours truly,



Peter Rubin

Copy: Client

**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada))**

To: By The Bay Home Development Ltd., an insolvent person (the "**Debtor**").

**TAKE NOTICE THAT:**

1. National Bank of Canada (the "**Creditor**" or the "**Bank**") a secured creditor, intends to enforce its security on the property of the Debtor including all or substantially all of the property of the Debtor over which the Debtor has granted security, as more particularly set out below but not limited to:
  - (a) the property located at 1289 Nicola Street, Vancouver, BC and legally described as PID: 031-425-909, Lot 1 Block 51 District Lot 185 Group 1 New Westminster District Plan EPP109066 (the "**Property**"); and
  - (b) all present and after-acquired personal property and undertakings of the Debtor.
2. The security (the "**Security**") that is to be enforced is set out in **Schedule "A"** hereto.
3. Total amount of indebtedness secured by the Security, as of August 2, 2024 is CAD \$7,443,924.88, with interest, fees, indemnities and other amounts accruing thereafter as provided for in the Loan Agreement dated October 2, 2019, as amended, and related documents, instruments and agreements.
4. The Bank will not have the right to enforce the Security until after the expiry of the 10 day period following the sending of this notice unless the Debtor consents to an earlier enforcement or the Court so orders.

Dated at Vancouver, British Columbia, this 2<sup>nd</sup> day of August, 2024.

**NATIONAL BANK OF CANADA**

By its lawyers and agents, Blake, Cassels & Graydon LLP

By: 

Name: Peter Rubin

Title: Partner

**CONSENT TO IMMEDIATE ENFORCEMENT**

By The Bay Home Development Ltd. consents to the immediate enforcement by the Creditor of the Security described in paragraph 2 above pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended.

DATED at \_\_\_\_\_, this \_\_\_\_ of \_\_\_\_\_, 2024.

**CORPORATE DEBTOR**

**By The Bay Home Development Ltd.**

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE "A"**

The Security that is to be enforced is the security granted by the Debtor to the Creditor pursuant to the Loan Agreement dated October 2, 2019 including (but not limited to):

1. The Mortgage on the Property dated as of December 19, 2019 granted by the Debtor in favour of the Creditor;
2. The General Security Agreement dated as of December 12, 2019, between the Debtor and the Creditor; and
3. Such further and other security as is provided for by the above listed agreements.

This is **Exhibit "T"** referred to in the Affidavit of Jennifer Alambre made before me at Vancouver, British Columbia this 26th day of August 2024.



---

A Commissioner for the taking of Affidavits for  
British Columbia

**Alambre, Jennifer**

---

**From:** Sunny Dhillon <sunny@dimexgroup.com>  
**Sent:** Thursday, August 8, 2024 4:59 PM  
**To:** Alambre, Jennifer  
**Cc:** Rubin, Peter; Hildebrand, Claire; Haleh Lotfi  
**Subject:** Re: Demand for Payment, Demand on Guarantees and Notice of Existing Defaults  
**Attachments:** Pages 5-7.pdf; image068917.png; image479104.png; 2024-08-02 Letter to By the Bay.pdf

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

• External Email | Courrier électronique externe •

Hi Jennifer,

Not sure if the last email went through, please see signed Consent To Immediate Enforcement.

Please confirm you got it.

Thank You,

**Sunny Dhillon**

Cell: [604-307-1431](tel:604-307-1431)

Email: [sunny@dimexgroup.com](mailto:sunny@dimexgroup.com)

**Dimex Group**

Development|Marketing|Management|Construction

[610-1155 West Pender Street](#)

[Vancouver, BC](#)

V6E 2P4

Tel: [604-325-3030](tel:604-325-3030)

Fax: [1-844-272-8754](tel:1-844-272-8754)

Website: [www.dimexgroup.com](http://www.dimexgroup.com)



On Aug 6, 2024, at 7:33 PM, Alambre, Jennifer <jennifer.alambre@blakes.com> wrote:

Good morning,

Please see the attached letter from Mr. Peter Rubin, together with enclosure.

Copies of this letter were delivered by courier on Friday August 2, 2024.

Regards,

**Jennifer Alambre**

Legal Administrative Assistant to Peter Rubin\*,  
Karine Russell, Alison Burns and Nathan Illsley

[jennifer.alambre@blakes.com](mailto:jennifer.alambre@blakes.com)

T. [+1-604-631-5244](tel:+16046315244)

\* denotes law corporation

Blake, Cassels & Graydon LLP

3500 - 1133 Melville Street, Vancouver, BC V6E 4E5 ([Map](#))

[blakes.com](https://www.blakes.com) | [LinkedIn](#)

This email communication is CONFIDENTIAL AND LEGALLY PRIVILEGED. If you are not the intended recipient, please notify me at the telephone number shown above or by return email and delete this communication and any copy immediately. Thank you. Ce message électronique peut contenir des renseignements CONFIDENTIELS ET PRIVILÉGIÉS. Si ce message vous est parvenu par erreur, veuillez immédiatement m'en aviser par téléphone ou par courriel et en détruire toute copie. Merci.



**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**(Subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada))**

To: By The Bay Home Development Ltd., an insolvent person (the "**Debtor**").

**TAKE NOTICE THAT:**

1. National Bank of Canada (the "**Creditor**" or the "**Bank**") a secured creditor, intends to enforce its security on the property of the Debtor including all or substantially all of the property of the Debtor over which the Debtor has granted security, as more particularly set out below but not limited to:
  - (a) the property located at 1289 Nicola Street, Vancouver, BC and legally described as PID: 031-425-909, Lot 1 Block 51 District Lot 185 Group 1 New Westminster District Plan EPP109066 (the "**Property**"); and
  - (b) all present and after-acquired personal property and undertakings of the Debtor.
2. The security (the "**Security**") that is to be enforced is set out in **Schedule "A"** hereto.
3. Total amount of indebtedness secured by the Security, as of August 2, 2024 is CAD \$7,443,924.88, with interest, fees, indemnities and other amounts accruing thereafter as provided for in the Loan Agreement dated October 2, 2019, as amended, and related documents, instruments and agreements.
4. The Bank will not have the right to enforce the Security until after the expiry of the 10 day period following the sending of this notice unless the Debtor consents to an earlier enforcement or the Court so orders.

Dated at Vancouver, British Columbia, this 2<sup>nd</sup> day of August, 2024.

**NATIONAL BANK OF CANADA**

By its lawyers and agents, Blake, Cassels & Graydon LLP

By:  \_\_\_\_\_

Name: Peter Rubin  
Title: Partner

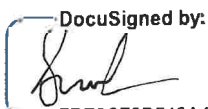
**CONSENT TO IMMEDIATE ENFORCEMENT**

By The Bay Home Development Ltd. consents to the immediate enforcement by the Creditor of the Security described in paragraph 2 above pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended.

DATED at \_\_\_\_\_, this \_\_\_\_ of \_\_\_\_\_, 2024.

**CORPORATE DEBTOR**

**By The Bay Home Development Ltd.**

DocuSigned by:  


By: \_\_\_\_\_  
Name: 7D76C72B549A432...  
Title:

### **SCHEDULE "A"**

The Security that is to be enforced is the security granted by the Debtor to the Creditor pursuant to the Loan Agreement dated October 2, 2019 including (but not limited to):

1. The Mortgage on the Property dated as of December 19, 2019 granted by the Debtor in favour of the Creditor;
2. The General Security Agreement dated as of December 12, 2019, between the Debtor and the Creditor; and
3. Such further and other security as is provided for by the above listed agreements.



Blake, Cassels & Graydon LLP  
 Barristers & Solicitors  
 Patent & Trademark Agents  
 1133 Melville Street  
 Suite 3500, The Stack  
 Vancouver, B.C. V6E 4E5 Canada  
 Tel: 604-631-3300 Fax: 604-631-3309

August 2, 2024

**VIA COURIER**

**Peter Rubin\***

Dir: 604-631-3315  
 peter.rubin@blakes.com  
 \*Law Corporation

Reference: 30237/409

**By The Bay Home Development Ltd.**

610 – 1155 West Pender Street  
 Vancouver, BC V6E 2P4

2388 – 4720 Kingsway  
 Burnaby, BC V5H 4N2

**Dimex Developments Inc.**

610 – 1155 West Pender Street  
 Vancouver, BC V6E 2P4

2388 – 4720 Kingsway  
 Burnaby, BC V5H 4N2

**Dimex Properties Inc.**

610 – 1155 West Pender Street  
 Vancouver, BC V6E 2P4

2388 – 4720 Kingsway  
 Burnaby, BC V5H 4N2

**Sundhir Dhillon**

610 – 1155 West Pender Street  
 Vancouver, BC V6E 2P4

**Attention: Mr. Sundhir (Sunny) Dhillon**

**RE: Demand for Payment, Demand on Guarantees and Notice of Existing Defaults**

Dear Sirs/Mesdames:

We are legal counsel to National Bank of Canada (the "**Bank**").

We write with respect to the following:

- (a) The Loan Agreement dated October 2, 2019, as amended by an amending agreement dated March 9, 2022, and an amending agreement dated June 1, 2022 (collectively, as may be further amended, revised, restated, replaced or modified from time to time, the "**Loan Agreement**") between:
  - i. By The Bay Home Development Ltd. as borrower (the "**Borrower**"); and
  - ii. the Bank as lender.
- (b) the letter of guarantee dated June 9, 2022 between Dimex Properties Inc. ("**DPI**") as guarantor and the Bank (the "**DPI Guarantee**");
- (c) the letter of guarantee dated June 9, 2022 between Dimex Developments Inc. ("**DDI**") as guarantor and the Bank (the "**DDI Guarantee**");



- (d) the letter of guarantee dated June 9, 2022 between Sundhir Dhillon (together with DPI and DDI, the "**Guarantors**") as guarantor and the Bank (the "**Dhillon Guarantee**", together with the DPI Guarantee and the DDI Guarantee, the "**Guarantees**");
- (e) the first-ranking collateral mortgage over the real property located at 1289 Nicola Street, Vancouver, BC and legally described as PID: 031-425-909, Lot 1 Block 51 District Lot 185 Group 1 New Westminster District Plan EPP109066 (the "**Property**"), registered December 19, 2019, as amended from time to time (the "**Mortgage**"), granted by the Borrower in favour of the Bank; and
- (f) the general security agreement dated December 12, 2019 (the "**GSA**") granted by the Borrower to the Bank.

We also refer to the Notice of Default and Reservation of Rights letter dated February 28, 2024, from the Bank to the Borrowers and Guarantors (the "**Default Letter**") pursuant to which the Bank advised the Borrower and the Guarantors, among other things, that:

- (a) the Borrower has been, and continues to be, in default under the Loan Agreement, by allowing the Property to become the subject of foreclosure proceedings commenced by a subordinate mortgage holder, Genesis Mortgage Investment Corp.; and by failing to pay interest for the months of September 2023 through February 2024, with accrued interest totaling \$322,289.96 as of March 1, 2024 (the "**Defaults**").
- (b) the Bank has no obligation to continue extending credit, has the right to refuse making any further advances to the Borrower, and is entitled to demand immediate repayment of the obligations under the Loan Agreement and to enforce on any corresponding security, mortgages or guarantees.

As of the date of this letter, additional defaults have occurred, including but not limited to the following:

- (a) the Borrower continues to be in default under the Loan Agreement by failing to pay interest for the months of February 2024 through to August 2024, with accrued interest totaling \$518,912.59 as of August 2, 2024;
- (b) the Borrower failed to promptly notify the Bank that two claims of builders' lien were registered against title to the Property, and further failed to take steps to provide the Bank with satisfactory assurance that it would be fully and continually protected from the effect of such liens, in breach of section 9(5) of the Loan Agreement;
- (c) an encumbrancer has brought foreclosure proceedings to enforce against the Property, in breach of Schedule A, Section 10(g) of the Loan Agreement; and
- (d) the Borrower failed to pay 2024 property taxes for the Property, with an amount of \$21,776.42 outstanding, in breach of Schedule A, section 7(f) of the Loan Agreement.

(together, the "**Additional Defaults**").



We write to provide the Borrowers and Guarantors with notice that the Defaults and Additional Defaults remain continuing Events of Default under the Loan Agreement which have not been remedied as of the date of this letter. The time period over which interest has not been paid now extends from September 2023 through August 2024. The Bank reiterates that it has no obligation to make further advances or other accommodation under the Loan Agreement.

The total indebtedness outstanding under the Loan Agreement includes the outstanding principal, plus all accrued and accruing interest, fees, indemnities, legal fees, prepayment penalties and other amounts payable, each of which shall continue to accrue and be determined at the date of pay-out, by the Borrower under the Loan Agreement and any other documents, instruments, and agreements executed pursuant thereto or in connection therewith from time to time (collectively, the “**Indebtedness**”). The Indebtedness as of August 2, 2024, is CAD \$7,443,924.88, but which continues to increase.

Pursuant to the Loan Agreement and the Guarantees, the Borrower and the Guarantors jointly and severally guarantee payment to the Bank of all present and future debts and liabilities of the Borrower, including all costs and disbursements incurred by the Bank in recovering or attempting to recover said debts and liabilities. We further note that failure by the Borrower and the Guarantors to pay the Bank any outstanding indebtedness pursuant to the Loan Agreement is itself an Event of Default under the Loan Agreement.

We also write to provide notice of events of default under the GSA and Mortgage, including as set out in this letter, that have not been remedied. Pursuant to the GSA and Mortgage, an event of default occurs including but not limited to where the Borrower fails to pay or perform or observe any obligation, covenant, term, provision or condition contained in the GSA, Mortgage, or any other agreement, security instrument or other document made by the Borrower with or in favour of the Bank, among others.

We hereby demand that the Borrower and/or the Guarantors, pursuant to the Guarantees, pay the Indebtedness to the Bank **within ten (10) days of the date of this letter** (i.e., by no later than **August 12, 2024**), including any additional amounts that have accrued by that date. Should the Indebtedness not be paid to the Bank by this date, the Bank may take steps to enforce its legal rights under the Loan Agreement and any other documents, instruments, and agreements executed pursuant thereto or in connection therewith from time to time, and otherwise at law or in equity without further notice.

We confirm that the Bank has not waived, and hereby expressly reserves, its rights to take all further and additional actions available to the Bank under the Loan Agreement, the GSA, the Guarantees, the Mortgage, or any other documents, instruments, and agreements executed pursuant thereto or in connection therewith, and at law, or in equity, including, among other available relief, without limitation: (a) judgment against the Borrower and/or the Guarantors, jointly and severally, for the amounts owing to the Bank; (b) an order appointing a receiver over the assets, undertakings, and/or property of the Borrower and/or the Guarantors; and/or (c) all other remedies afforded by law, in equity, or under the Loan Agreement, the GSA, the Guarantees, the Mortgage, or any other documents, instruments, and any agreements executed pursuant thereto or in connection therewith from time to time, to which the Bank is entitled with respect to the recovery of the amounts owing by the Borrower.

# Blakes

Page 4

Please also see the enclosed notice pursuant to section 244 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.

Yours truly,



Peter Rubin

Copy: Client

**NOTICE OF INTENTION TO ENFORCE SECURITY**  
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4. The Bank will not have the right to enforce the Security until after the expiry of the 10 day period following the sending of this notice unless the Debtor consents to an earlier enforcement or the Court so orders.

Dated at Vancouver, British Columbia, this 2<sup>nd</sup> day of August, 2024.

**NATIONAL BANK OF CANADA**

By its lawyers and agents, Blake, Cassels & Graydon LLP

By: 

Name: Peter Rubin

Title: Partner



**CONSENT TO IMMEDIATE ENFORCEMENT**

By The Bay Home Development Ltd. consents to the immediate enforcement by the Creditor of the Security described in paragraph 2 above pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended.

DATED at \_\_\_\_\_, this \_\_\_\_ of \_\_\_\_\_, 2024.

**CORPORATE DEBTOR**

**By The Bay Home Development Ltd.**

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE "A"**

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