



NO. S-1810743
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

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

AND

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

AND

**IN THE MATTER OF A PLAN OR COMPROMISE AND ARRANGEMENT OF
PUREWAL BLUEBERRY FARMS LTD., 0726357 B.C. LTD., 0726365 B.C. LTD.,
0726368 B.C. LTD. and PUREWAL FARMS PARTNERSHIP**

SEVENTH REPORT OF THE MONITOR

AUGUST 7, 2019

INTRODUCTION

1. This report (“**Seventh Report**”) has been prepared by FTI Consulting Canada Inc. (“**FTI**”) in its capacity as the court-appointed Monitor (the “**Monitor**”) pursuant to an order of the Supreme Court of British Columbia (the “**Court**”) pronounced October 11, 2018 (the “**Initial Order**”) pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985 c.36, as amended.
2. On April 30, 2018, Purewal Blueberry Farms Ltd. (“**Purewal**”) filed a Notice of Intention to File a Proposal (“**NOI**”) with the Superintendent of Bankruptcy pursuant to Part III, Division I of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and FTI was appointed trustee under the NOI (the “**Proposal Trustee**”).
3. Purewal sought and obtained extensions of its stay of proceedings under the NOI as follows:
 - (a) By Order of the Court pronounced May 30, 2018 extending the time to file a proposal under its NOI (and corresponding stay of proceedings) to July 13, 2018;
 - (b) By Order of the Court pronounced July 5, 2018 extending the time to file a proposal under its NOI (and corresponding stay of proceedings) to August 27, 2018; and
 - (c) By Order of the Court pronounced August 24, 2018 extending the time to file a proposal under its NOI (and corresponding stay of proceedings) to October 11, 2018.
4. Additional Orders sought and obtained by Purewal in the NOI proceedings included:
 - (a) An Order of the Court pronounced May 30, 2018 approving:

- i. An interim financing facility (the “**DIP Loan**”) from Blueberry Holding (GP) Ltd. (in such capacity, the “**DIP Lender**”) in the maximum principal amount of \$500,000, secured by a charge in priority to all other encumbrances, over the assets of Purewal (including any assets of Purewal held in trust for 0726357 B.C. Ltd., 0726365 B.C. Ltd. and 0726368 B.C. Ltd.) (the “**Purewal Property**”) (the “**DIP Lender’s Charge**”); and
 - ii. An administrative charge to secure the fees and disbursements of Purewal’s legal counsel, the Proposal Trustee, and its legal counsel (the “**Administrative Charge**”) in priority to all other encumbrances (other than the DIP Lender’s Charge) against the Purewal Property for up to \$200,000.
- (b) Two Orders of the Court pronounced July 5, 2018 approving:
 - i. A claims process (the “**Claims Process**”) by the Proposal Trustee to assist in identifying and understanding the quantum and extent of creditor’s claims against Purewal (the “**Claims Process Order**”); and
 - ii. A sale process (the “**Sale Process**”) for Purewal’s processing plant in accordance with a proposed set of bidding procedures, to be administered by the Proposal Trustee (the “**Sale Process Order**”).
5. On October 11, 2018, the NOI proceedings were converted into this CCAA proceeding by an order of this Court (the “**Initial Order**”), and all of the orders granted in the NOI proceedings, including but not limited to the Claims Process Order and the Sale Process Order, were continued into these CCAA proceedings.

6. Three companies that were not included in the NOI proceedings were added to these CCAA proceedings; namely 0726357 B.C. Ltd. (“**6357**”), 0726365 B.C. Ltd. (“**6365**”) and 0726368 B.C. Ltd. (“**6368**”). 6357, 6365 and 6368 (collectively the “**Brothers’ Companies**”) are holding companies owned by Malkiat, Charan and Gurjit Purewal, respectively.
7. The Initial Order increased the amount of the approved DIP Loan from \$500,000 to \$1,000,000, increased the DIP Lender’s Charge to \$1,000,000, and extended the DIP Lender’s Charge and the Administrative Charge over the property of Purewal and the Brothers’ Companies (the “**Petitioners**”).
8. On October 11, 2018, the Court made a further Order approving an asset purchase agreement submitted by 0801226 B.C. Ltd. (a party related to the DIP Lender) in the Sale Process, as the stalking horse bidder in the Sale Process.
9. On November 2, 2018, the Petitioners sought and obtained an order of this Court extending the stay of proceedings provided in the Initial Order to December 14, 2018.
10. On December 12, 2018, the Petitioners sought and obtained two orders of this Court:
 - (a) The first order approved an Offer to Purchase and Agreement of Purchase and Sale dated November 21, 2018 between Purewal and 1176094 B.C. Ltd. (the “**Purchaser**”) (the “**Winning APA**”) as detailed in the Second Report of the Monitor and provided a vesting order to convey title in the processing plant to the Purchaser (the “**AV Order**”); and
 - (b) The second order approved the extension of the stay of proceedings provided in the Initial Order to March 1, 2019 as well as increasing the Administrative Charge from a maximum aggregate of \$200,000 to \$300,000.
11. On February 6, 2019, the Petitioners sought and obtained two orders of this Court:

- (a) The first order approved an extension for the closing of the Winning APA to March 8, 2019 or a date as agreed between the Monitor, on behalf of Purewal, and the purchaser no later than 21 days after March 8, 2019; and
 - (b) The second order approved the extension of the stay of proceedings provided in the Initial Order to April 15, 2019, increased the Administrative Charge from an aggregate of \$300,000 to \$450,000 and added Purewal Farms Partnership (the “**Partnership**”) as a petitioner to these proceedings.
12. On February 6, 2019, the Monitor sought and obtained an order of this Court approving its fees and expenses for the period from April 1, 2018 to November 30, 2018 and approving the fees and expenses of its legal counsel for the period from June 1, 2018 to November 30, 2018.
 13. On April 12, 2019, the Petitioners sought and obtained an order of the Court extending the stay of proceedings provided in the Initial Order to May 6, 2019.
 14. On May 6, 2019, the Petitioners sought and obtained an order of the Court extending the stay of proceedings provided in the Initial Order to May 10, 2019.
 15. On May 8, 2019, the Petitioners sought and obtained an order of the Court extending the stay of proceedings provided in the Initial Order to August 13, 2019 and expanding the Monitor’s powers.
 16. The reports of the Proposal Trustee and the Monitor and other information in respect of these proceedings are posted on the Monitor’s website at <http://cfcanada.fticonsulting.com/purewal/>.

PURPOSE

17. The purpose of the Seventh Report of the Monitor is to provide the Court with an update on the following:
 - (a) The status of the Petitioners' funding;
 - (b) The use of the closing proceeds related to the sale of the Petitioners' processing plant;
 - (c) The status of the Berar claim and CRA claim;
 - (d) The rent due from Thiara related to the 2018 blueberry harvest from the Richmond Farm;
 - (e) Post closing issues related to the sale of the processing plant;
 - (f) The Monitor's views and recommendations regarding an offer on the House Property;
 - (g) The results of the Expanded Claims Process; and
 - (h) The Monitor's views and recommendations regarding the Petitioners' request for an extension of the provisions of the Initial Order, including the stay of proceedings, to September 30, 2019.

TERMS OF REFERENCE

18. In preparing this report, the Monitor has relied upon unaudited financial information, other information available to the Monitor and, where appropriate, the Petitioners' books and records and discussions with various parties (collectively, the "**Information**").
19. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
20. The Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
21. Future oriented financial information reported or relied on in preparing this report is based on assumptions regarding future events; actual results may vary from forecast and such variations may be material.
22. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

UPDATE ON THE PETITIONERS' FUNDING

23. As indicated in the Fifth Report, pursuant to the AV Order the balance of the proceeds from the sale of the processing plant were to be held by the Petitioner's legal counsel pending either further order of the Court or agreement by the affected parties.
24. The three remaining affected parties are Canada Revenue Agency ("**CRA**"), the beneficiaries of the Administrative Charge and Harjinder Singh Berar, Karnjit Singh Berar and Berar Farms Ltd. (collectively "**Berar**").
25. Accordingly, the Petitioners have had minimal funds to pay for their operating costs associated with these proceedings.
26. The Monitor held some residual funds from the extension fee and from the DIP advances which were used to pay the outstanding invoices related to the post filing holding costs related to the processing plant and the fees of the former staff assisting the Petitioners in updating the books and records, filing overdue statutory returns and other administrative matters.
27. As indicated in the First Report of the Proposal Trustee, Purewal owns a property with an address of 13549 Hale Road, Pitt Meadows. The property is approximately 18 acres in total. The property is improved with two residential homes on about 3 acres. The remaining 15 acres are planted with blueberry bushes (the "**House Property**").
28. The three founding brothers, Malkiat, Charan and Gurjit Purewal, share the two homes that reside on the House Property.

29. In September 2018, the Monitor (at the time the Proposal Trustee) was informed by the City of Pitt Meadows (the “City”) that Purewal was delinquent in the payment of property taxes owing on the House Property and if the delinquent taxes were not paid prior to September 24, 2018, the property would be sold by the municipality at tax sale.
30. The Monitor advised the City of the stay of proceedings pursuant to these proceedings, however the City indicated that there was no discretion in its by-laws and without a Court Order to cease the action, they would be proceeding with the tax sale.
31. The Monitor was further advised by the City that the tax sale had a one-year redemption period.
32. The Monitor discussed the situation with the Petitioners and their legal counsel and determined that given the current lack of resources, the Petitioners would allow the House Property to proceed to a tax sale and redeem the sale at a subsequent date with the surplus funds expected from the closing of the Winning APA.
33. As will be described in a subsequent section of this report, the House Property is now subject to a sale agreement to be approved by this Honourable Court. Accordingly, the Monitor suggested to the Petitioners and its legal counsel that the delinquent taxes be paid to redeem the tax sale.
34. The Monitor contacted the City and was provided with the redemption amount of \$51,080.
35. The Petitioners’ legal counsel sought the approval of CRA and Berar to release funds from their trust account so that the delinquent taxes could be paid to redeem the tax sale.

36. With the approval of CRA and Berar the funds were released to the Monitor who paid \$51,080 to the City on August 2, 2019.
37. The Monitor understands that upon receipt of the funds the City will proceed to remove the tax sale from the Land Registry title to the House Property.
38. Subsequent to the closing of the Winning APA, the Monitor contacted BC Hydro to have the deposit paid by the Petitioners during the NOI released. After settlement of the remaining post filing amounts due to BC Hydro, a refund cheque in the amount of \$16,318 was released to the Monitor.
39. The following is a summary of the receipts and disbursements in the Monitor's trust account for the period from November 15, 2018 to August 2, 2019:

Summary of Receipts and Disbursements

Receipts

Advances pursuant to DIP Loan	265,000
Extension fee	150,000
Funds released from Clark Wilson	44,641
Interest income	335
Total receipts	<u>459,975</u>

Disbursements

DIP Lender fee	10,500
Insurance	93,279
Security	62,827
BC Hydro	73,029
Contractor fees and expenses	154,985
Payment to City of Pitt Meadows	51,080
Proposal Trustee's legal counsel fees and disbursements	1,576
Bank charges	85
Total disbursements	<u>447,361</u>

Excess of receipts over disbursements	<u>\$ 12,615</u>
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40. The Monitor is currently holding funds of approximately \$13,000.

USE OF THE CLOSING PROCEEDS

41. As indicated in the Fifth Report, subsequent to closing the sale of Purewal's processing plant and in accordance with the AV Order, the Petitioners' legal counsel paid the following:
- (a) \$275,000 to 0801226 B.C. Ltd. in respect of the stalking horse termination fee pursuant to an order of the Court pronounced October 11, 2018;
 - (b) \$924,562 to Blueberry Holdings (GP) Ltd. consisting of principal and interest on monies advanced pursuant to the Interim Lender's Charge;
 - (c) \$3,915,501 to Blueberry Holdings (GP) Ltd. pursuant to amounts owing to it pursuant to its mortgage registered against the processing plant property;
 - (d) \$2,403 to the Canada Revenue Agency ("CRA") on account of a charge registered in priority to Blueberry Holdings (GP) Ltd. for unremitted employee payroll source deductions of Purewal;
 - (e) \$450,000 pursuant to the Administrative Charge to allow payment of outstanding professional fees; and
 - (f) \$353,576 to the City of Pitt Meadows relating to outstanding property taxes and utilities for 2017 and 2018 plus penalties and interest.
42. Subsequent to the Fifth Report of the Monitor, the Petitioners' legal counsel paid \$699,343 to CRA pursuant to a mortgage granted by Purewal against the processing plant relating to unremitted payroll deductions for Purewal Brothers Enterprises, a company related to Purewal. The amount included interest to the date of payment.

43. As indicated in the Sixth Report of the Monitor, the insurance on the House Property expired in mid-June 2019 and the current underwriter advised the Petitioners that it would not renew the policy.
44. The Petitioners contacted their brokers to seek assistance to find a new insurer. However, prior to providing service, the insurance broker requested that it be paid current with respect to the Petitioners outstanding post-filing premium obligations.
45. As a result, the Petitioners' legal counsel contacted CRA and Berar's legal counsel and with their consent, \$16,784 was released from the Petitioners' legal counsel's trust account to pay the outstanding invoices.
46. The table below summarizes the receipts and uses of the proceeds from the sale of the processing plant and the balance held by the Petitioners' legal counsel:

Sale of Processing Plant

Sale proceeds	10,538,844
Deposit #1	415,000
Deposit #2	200,000
Interest earned	19,647
Total receipts	<u>11,173,491</u>
City of Pitt Meadows for unpaid property taxes	(353,576)
Stalking Horse fee	(275,000)
Blueberry Holdings (GP) Limited - mortgage	(3,915,501)
Blueberry Holdings (GP) Limited - DIP Loan	(924,562)
Payment to CRA	(2,403)
Admin charge	(450,000)
CRA mortgage	(699,343)
Release of funds to Monitor re delinquent taxes	(44,641)
Insurance	(16,784)
Total disbursements	<u>(6,681,810)</u>
Surplus	<u>4,491,681</u>

THE CRA AND BERAR CLAIMS

CRA

47. As noted in the Fifth Report of the Monitor, the calculation of CRA's claim against the Petitioners has been in progress for some time due to the incomplete status of the Petitioners' books and records.
48. In early July 2019, CRA filed a further amended proof of claim in the amount of \$3.0 million comprising a deemed trust claim in the amount of \$1.8 million and an unsecured claim in the amount of \$1.2 million.
49. As indicated previously, the \$682,000 claim against Purewal Brothers Enterprises Ltd. secured by a mortgage granted by Purewal in favour of CRA, was paid from the proceeds of the sale of the processing plant.
50. CRA's amended proof of claim also notes that it has not finalized its claim for unremitted goods and services tax as both Purewal and the Partnership have outstanding returns dating back to June 2017.
51. The Monitor understands that CRA's claim against Purewal for unremitted source deductions is comprised of amounts due by Purewal, Purewal Brothers Enterprises Ltd. ("PBE"), 0740656 B.C. Ltd. ("074") and 1078429 B.C. Ltd. ("107").
52. The Monitor has asked CRA to provide it with CRA's authority to assess the claims of these other companies against Purewal.
53. CRA acknowledged receipt of the Monitor's request and advised that due to vacation schedules, a response would be delayed until mid-August 2019.

Berar

54. As detailed in the Second Report and Fifth Reports of the Monitor, the Berar claim relates to a complex series of transactions related to a 140 acre farm with blueberry plantings (the “**Richmond Farm**”) that was previously owned by Purewal.
55. In September 2013, Purewal sold an undivided 1/10 interest in the Richmond Farm to Harjinder Singh Berar and Karmjit Kaur Berar and an undivided 4/10 interest in the Richmond Farm to Berar Farms Ltd. (collectively “**Berar**”).
56. In conjunction with the sale, the Partnership entered into a lease with Berar (the “**Richmond Lease**”). The primary terms of the Richmond Lease are as follows:
- (a) 10 year term commencing September 2013, expiring in September 2023;
 - (b) Annual rent of \$339,900 plus applicable taxes due in advance of each lease year;
 - (c) Constructed as a net lease with the tenant assuming responsibility for all operating costs; and
 - (d) Purewal and the Brothers’ Companies each provided a guarantee for the performance of the Partnership’s obligations under the lease.
57. In support of their guaranties, Purewal and the Brothers’ Companies granted collateral mortgages in favour of Berar over all of the properties owned by Purewal and the Brother’s Companies.

58. In February 2016, Purewal then sold its remaining 5/10 undivided interest in the Richmond Farm to 1043806 B.C. Ltd. (“104”). Pursuant to the terms of the sale agreement, 104 covenanted to assume the Richmond Lease and indemnify Purewal against any liability under the Richmond Lease.
59. In addition, 104 provided a covenant to use its best commercial efforts to provide Berar with alternative security so that the guaranties of Purewal and the Brother’s Companies could be discharged.
60. Under the terms of the Richmond Lease, Purewal was prohibited from assigning the lease without the consent of Berar, which consent was not to be unreasonably withheld.
61. Subsequent to closing the sale with 104, Purewal forwarded a document to 104 purporting to assign the Richmond Lease to 104. The document was signed by Purewal, 104 and representatives of the Brother’s Companies, however the Monitor was advised by Berar that it did not consent to the assignment.
62. The Monitor is further advised by Berar that to date 104 has not provided alternative security.
63. Berar filed a claim in these proceedings for its rent arrears due from September 2017 in relation to the 2018 blueberry harvest, however it also expressed the following additional concerns:
 - (a) The 2018 rent payment in the amount of \$339,900 plus taxes relating to the 2019 blueberry harvest is now due;
 - (b) Due to the Petitioners’ lack of working capital, the Richmond Farm has suffered damages due to neglect;

- (c) Given that the Partnership is no longer farming the Richmond Farm, Berar is seeking control of the Richmond Lease for its remaining term; and
 - (d) As a result of the damages, the rent that Berar will now be able to achieve has been significantly reduced.
64. After several meetings and related telephone conversations, the Petitioners and Berar agreed to settle the claim as follows:
- (a) An amount of \$2,028,250 (inclusive of GST) will be paid to Berar from the closing proceeds being held by the Petitioners' legal counsel;
 - (b) The rights of the Partnership as tenant under the Richmond Lease will be assigned to Berar;
 - (c) Each of Berar, the Partnership and Purewal will provide mutual releases with respect to any claims related to the Richmond Lease and Berar will discharge his mortgage over the House Property; and
 - (d) The Petitioners will seek a vesting order in these proceedings with respect to any claims registered against the Petitioners' interest in the Richmond Lease.
65. Attached as Appendix A is a copy of the executed Settlement Agreement.
66. The settlement amount is comprised as follows:
- (a) \$490,000 relating to the arrears lease payment that was due in September 2017 for the right to the 2018 blueberry harvest plus interest and costs;
 - (b) \$600,000 for the rent differential for the final five years remaining on the term of the Richmond Lease;

- (c) \$235,000 with respect to the estimated insurance, utilities and property taxes for the remaining term of the Richmond Lease in addition to the legal costs incurred by Berar associated with the settlement of its claim;
 - (d) \$635,000 relating to damages incurred on the property as a result of neglect; and
 - (e) Applicable goods and services tax.
67. The Monitor was present for all of the settlement discussions and is of the view that the settlement is reasonable based on its review of the documentation related to the Richmond Lease and discussions with the Petitioners.
68. The settlement resolves a significant claim for the Petitioners and will allow for the residual proceeds from the sale of the processing plant to be released for the benefit of the creditors. Accordingly, the Monitor supports the Petitioners settlement with Berar.
69. As indicated previously, the settlement amount is to be paid from the closing proceeds being held by the Petitioners' legal counsel.
70. Given the additional time required to finalize CRA's deemed trust claim, the Monitor suggested that the Petitioners' legal counsel continue to hold the amount of the deemed trust claim in its trust account, with the balance being released to the Monitor.
71. After payment of the Berar settlement amount and a holdback for the CRA deemed trust claim, approximately \$680,000 would be available to release to the Monitor from the Petitioners' legal counsel's trust account.

72. This would allow the Monitor to fund the costs of these proceedings, pay the outstanding fees and expenses of the professionals and provide funds for the Petitioners' creditors.

RENT DUE FROM THIARA

73. In expectation of a settlement, the Richmond Farm was leased by Berar to a third party for the 2019 blueberry harvest. As the rent differential was incorporated in the settlement with Berar, the rent payable for the 2019 harvest will be directed to Berar.
74. As detailed in the Second Report of the Monitor, the rent due to Berar in September 2016 for the right to the blueberry harvest in 2017 was paid by 104 directly to Berar and 104 sublet the property to a third party.
75. However, in September 2017 the rent due to Berar for the right to the blueberry harvest in 2018 was not made. As a result, the Petitioners purported to sublet the Richmond Farm to another farmer, Barinder Thiara ("**Thiara**").
76. Thiara harvested the blueberries from the Richmond Farm during the summer of 2018, however to date the rent payment has not been made to any of the Petitioners, 104 or Berar.
77. In November 2018, 104 had sought and obtained garnishment orders against the two processors used by Thiara for the 2018 harvest, however no amounts were paid pursuant to the garnishment orders.
78. On April 11, 2019 the Petitioners' legal counsel sent a letter to Thiara demanding payment of the outstanding rent payment for 2018 and subsequently issued a statement of claim.

79. Thiara filed a response to the Petitioners' claim indicating that due to the confusion regarding its sublease, it had not issued payment.
80. Subsequently, the Monitor, Berar and Thiara had a conversation wherein Berar and Thiara came to an agreement in which Thiara agreed to pay the \$250,000 plus GST to Berar provided that each of 104, the Petitioners and Berar consent.
81. The Monitor is advised by the Petitioners' legal counsel that each of 104, Berar and the Petitioners have consented to Thiara paying directly to Berar and a consent agreement is currently being drafted.
82. If the settlement with Thiara is finalized prior to the settlement with Berar, then the settlement amount with Berar would be reduced by the amount remitted to Berar.
83. However, if the payment by Thiara is made subsequent to the Petitioners settlement with Berar, then Berar has agreed to pay the funds to the Petitioners.

PROCESSING PLANT POST CLOSING

84. As detailed in the Monitor's Fifth Report, the purchaser of the Petitioners' processing plant paid an extension fee which was intended to cover the holding costs incurred by the Petitioners as a result of the delay in closing the transaction.
85. Pursuant to the terms of the Extension Agreement, the Monitor was to provide an accounting of the actual costs incurred as a result of the extended closing.
86. Subsequent to closing the sale of the processing plant, the Monitor provided the Petitioners' legal counsel with its calculation of the costs associated with the extension of the sale closing. The reconciliation indicated that the costs exceeded the Extension Fee by approximately \$12,000.

87. The Monitor forwarded its accounting to the Petitioners' legal counsel.
88. The Monitor has been advised by the Petitioners' legal counsel that in consultation with the Petitioners, it is considering its options with respect to collection of the excess costs.
89. The Monitor understands that the Petitioners have been challenged in coordinating a mutually convenient time with the purchaser of the processing plant to access the books and records of the Petitioners remaining at the processing plant.
90. As the Petitioners require the records in order to complete their outstanding GST returns as noted previously, the Petitioners may need to seek the assistance of the Court to compel the purchaser to produce the records for the Petitioners to collect.

THE OFFER ON THE HOUSE PROPERTY

91. As noted in previous reports, Purewal is the legal owner of the House Property, although there are documents that indicate the Brothers' Companies as the beneficial owners.
92. The Monitor is advised by the Petitioners' legal counsel that it has reviewed the documentation with respect to this structure, however its review is still on-going.
93. As the primary obligor of the Richmond Lease was the Partnership, upon payment of the settlement amount by Purewal to Berar, Purewal would have a claim against the Partnership, which is owned by the Brothers' Companies.
94. Accordingly, the trust relationship between Purewal and the Brothers' Companies may be irrelevant.

95. In April 2019, the Monitor retained the services of an appraiser to provide an appraisal report (the “**Appraisal**”) on the House Property.
96. The Appraisal dated May 2, 2019 (copy attached as Appendix B) indicated an estimate of value ranging from \$2.5 million on the basis of a forced sale to \$2.82 million on the basis of an orderly sale. The orderly sale contemplates a longer timeline for marketing.
97. In April 2019, the Monitor was approached on an unsolicited basis by a party representing Johal Berry Farms Ltd. (“**Johal**”), who wished to tender an offer on the House Property. Subsequently an offer was received by the Monitor which was forwarded to the Petitioners and their legal counsel for consideration.
98. The offer indicated a purchase price of \$2.25 million.
99. As indicated in the Sixth Report of the Monitor, the insurance on the House Property expired in mid-June and despite its continued efforts, the Petitioners have been unable to secure replacement coverage.
100. Upon receipt of the Appraisal, the Monitor advised Johal that the Petitioners were still contemplating its offer, however the Monitor would not be able to support the offer as currently submitted due to the low purchase price.
101. In late June, Johal submitted a revised offer with an indicated purchase price of \$2.4 million.
102. The Monitor contacted the appraiser to discuss the revised offer and asked them to take into account the fact that the Petitioners were unable to secure insurance and accordingly an expedited sale was now preferable.

103. The appraisers issued an addendum to the Appraisal indicating that the revised offer was in its opinion, within a reasonable range for a forced sale (copy attached as Appendix C).
104. The Petitioners accepted the revised offer (copy attached as Appendix D) which is now only subject to Court approval.
105. The Monitor is supportive of the sale given that the purchase price is within the range of value for a forced sale and more importantly, the revised offer contemplates a September 5, 2019 closing which would mitigate the risk related to the asset being uninsured.
106. The revised offer also includes a commission payable to Manpreet Berar, the party who arranged the offer. The Monitor has reviewed the terms of the commission and considers it to be consistent with normal market rates.
107. The Monitor also notes that if the House Property was to be listed for sale, a similar commission would likely be incurred.

AN UPDATE ON THE CLAIMS PROCESS

108. On May 8, 2019 the Petitioners sought and obtained the Expanded Claims Order which was intended to broaden the scope of the Claims Process Order to include the claims of the Brothers' Companies and the Partnership.
109. In accordance with the Expanded Claims Process, the Monitor forwarded a Claims Package to all known creditors of the Petitioners, published a notice in the Vancouver Sun newspaper and posted the applicable documents on its website.
110. As at June 15, 2019, the Claims Bar Date, several additional claims were received by the Monitor.

111. The Monitor worked with the Petitioners former accountant to review all of the claims and issued notices of revision to several creditors on the basis of unreconciled differences between the Petitioners records and those of the creditor.
112. To date, no creditor has issued a Notice of Dispute.
113. There are a few creditors whose claims have not been finalized as a result of the Petitioners request for additional documentation from creditors.
114. In addition, as noted previously the claim of CRA is still outstanding pending finalization of GST returns and support for the basis of its claim.
115. The Monitor is optimistic that it will be able to provide a final summary of the claims in its next report.

OTHER ISSUES

116. In early June, the Monitor was advised by Berar that Johal was interested in harvesting the blueberries on the House Property. Johal had suggested a fee of \$15,000 plus GST for the rights to harvest the berries.
117. The Monitor contacted the Petitioners and their legal counsel to advise of the offer from Johal.
118. The Petitioners accepted the offer which was communicated by the Monitor to Johal.
119. The Monitor understands that the blueberries on the House Property have now been picked and the payment is being forwarded to the Monitor.
120. The Monitor is continuing to investigate the circumstances surrounding the Airport Lease.

121. The Monitor has requested some information from the Petitioners' former external accountant to assist with its investigation.
122. The Monitor expects receipt of the information within the next few weeks and based on its review of the additional information, will consult with its legal counsel on the appropriate next steps.
123. In the Fifth Report, the Monitor advised that several pieces of equipment were transferred from the Partnership in July 2018 to 1148918 B.C. Ltd., a company controlled by Parminder and Tajinder Purewal.
124. The Monitor forwarded a letter to each of Parminder and Tajinder Purewal on May 13, 2019 requesting they provide documentation regarding the transfer.
125. Subsequent to a follow up email from the Monitor, a response was received on May 21, 2019 from Tajinder Purewal indicating that his legal counsel would be responding to the Monitor's letter.
126. However, despite several additional follow up emails, the Monitor has not received any formal response from Parminder or Tarjinder Purewal.
127. Accordingly, the Monitor in consultation with its legal counsel is considering next steps, which may include seeking assistance from this Court.
128. As indicated previously, the Court granted an Administrative Charge by an order of this Court dated May 30, 2018.
129. The Administrative Charge was initially set at \$200,000, however by subsequent orders it was increased to \$450,000.

130. Given the delay in releasing the residual closing proceeds being held by the Petitioners' legal counsel, the professionals involved in these proceedings have not been paid since March 2019.
131. As a result, the accumulated outstanding fees and expenses of the professionals subject to the Administrative Charge is currently approximately \$300,000.
132. Assuming the Court approves the settlement with Berar, the Monitor would expect to use some of the residual proceeds to bring the professionals current with their fees and expenses.

PETITIONERS' REQUEST TO EXTEND THE STAY OF PROCEEDINGS

133. The Petitioners are seeking an extension of the provisions of the Initial Order, including the stay of proceedings, to September 30, 2019. Absent such extension, the stay will expire on August 13, 2019.
134. The Petitioners are seeking an extension for the following reasons:
 - (a) To provide the time required to close the sale of the House Property;
 - (b) To finalize the Claims Process, including CRA's claim;
 - (c) To finalize the Monitor's investigation and evaluate the remedies with respect to a potential realization on the Airport Lease; and
 - (d) To complete the investigation into other assets that have been potentially diverted.
135. The Monitor has considered the test that the Court must be satisfied with in order to grant an extension of the stay of proceedings to the Petitioners, namely that:

- (a) the Petitioners must be acting in good faith and with due diligence; and
 - (b) the Petitioners satisfy the Court that circumstances exist that make the order appropriate.
136. Given the expanded powers granted to the Monitor by order of this Court dated May 8, 2019, and with the sale of the majority of the Petitioners' assets, the Monitor believes that despite the concerns raised in its Fifth Report the Petitioners are acting in sufficiently good faith and due diligence such that the extension of the stay of proceedings is in the best interests of all stakeholders.
137. The Monitor also notes that it expressed concerns in its Sixth Report regarding the expiration of the insurance coverage on the House Property. To date, the Monitor has not received any feedback from creditors with respect to this event.
138. Accordingly, the Monitor supports the Petitioners' request for an extension of the stay of proceedings to September 30, 2019.

All of which is respectfully submitted this 7th day of August, 2019.

FTI Consulting Canada Inc., in its capacity as
Monitor of Purewal Blueberry Farms Ltd.,
0726365 B.C. Ltd., 0726368 B.C. Ltd., 0726357
B.C. Ltd. and Purewal Farms Partnership



Name: Craig Munro
Title: Managing Director,
FTI Consulting Canada Inc.

APPENDIX A

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

THIS SETTLEMENT AGREEMENT AND MUTUAL RELEASE (the "**Agreement**") made the ___ day of July, 2019.

AMONG:

HARJINDER SINGH BERAR and KARMJIT KAUR BERAR
9600 No. 6 Road
Richmond, BC V6W 1E4

(the "**Berars**")

BERAR FARMS LTD. (Inc. No. 0979883)
9600 No. 6 Road
Richmond, BC V6W 1E4

(**"Berar Farm"**)

NELSON ROAD INVESTMENTS LTD. (Inc. No. 0978605)
9600 No. 6 Road
Richmond BC V6W 1E5

(**"Nelson"**, and collectively with Berars and Berar Farms, hereinafter referred to as the "**Berar Parties**")

PUREWAL BLUEBERRY FARMS LTD. (Inc. No. BC0726034)
#309-22230 North Avenue
Maple Ridge, BC V2X 2L5

(**"Purewal"**)

0726357 B.C. LTD. (Inc. No. BC0726357)
13778 Hale Road
Pitt Meadows, BC V3Y 1Z1

(**"357"**)

0726365 B.C. LTD. (Inc. No. BC0726365)
13549 Hale Road
Pitt Meadows, BC V3Y 1Z1

(**"365"**)

0726368 B.C. LTD. (Inc. No. BC0726368)
13549 Hale Road
Pitt Meadows, BC V3Y 1Z1

(“**368**”, and collectively with 357 and 365, the “**Numbered Companies**”)

PUREWAL FARM PARTNERSHIP (Reg. No. FM0404307)
#300 – 10366 – 136A Street, Surrey, BC V3T 5R3

(the “**Partnership**”, and collectively with Purewal and the Numbered Companies, the “**Petitioners**”)

WHEREAS:

- A. Pursuant to a sale transaction in September 2013, Nelson became the registered owner of an undivided 4/10 interest and Purewal’s interest as the registered owner was reduced to an undivided 5/10 interest of lands and premises in Richmond, BC, more particularly described as PID: 000-533-637, Lot 12 Section 17 Block 4 North Range 4 West NWD Plan 24609 and PID: 000-533-581, Lot 15 Except: Part on Statutory Right of Way Plan NWP88249, Section 8 Block 4 North Range 4 West NWD Plan 26787 (together, the “**Farm Lands**”). The Berars are and were at all relevant times the registered owner of an undivided 1/10 interest in the Farm Lands.
- B. Pursuant to the lease dated September 30, 2013 registered against the Farm Lands under Registration No. CA3427561 and the supplemental lease agreement dated September 30, 2013 (together, the “**Lease**”):
 - a. the Berars, Purewal, Nelson and various other parties referred to in the Lease as the ‘Co-Owners’ (collectively, the “**Landlords**”), agreed to lease the Lands to the Partnership, as tenant;
 - b. Nelson and the Co-Owners assigned all of their right, title and interest in and to the Lease to Berar Farms;
 - c. the Partnership agreed to pay to the Berars, Purewal and Berar Farms (as ‘Designated Landlord’):
 - i. the annual sum of \$195,000, plus taxes, to Purewal (the “**Purewal Rent**”); and
 - ii. the annual sum of \$339,900, plus taxes, to the Berars (the “**Berar Rent**”).
- C. Malkiat Singh Purewal (“**Malkiat**”) is the sole shareholder of 357, Charan Singh Purewal (“**Charan**”) is the sole shareholder of 365, and Gurjit Singh Purewal (“**Gurjit**”, and collectively with Malkiat and Charan, the “**Purewal Brothers**”) is the sole shareholder of 368.
- D. Pursuant to guarantees dated October 21, 2013 (the “**Purewal Guarantee**” and the “**Brothers Guarantee**” respectively), Purewal and the Purewal Brothers each guaranteed to the Berar Parties all obligations and liability of the Partnership under the Lease.

- E. Purewal's obligations to the Berar Parties, including pursuant to the Purewal Guarantee, were secured by a mortgage in the principal amount of \$3 million registered under Registration No. CA3427562 (the "**Berar Mortgage**") against title to the following lands and premises:
- a. the Farm Lands;
 - b. the lands and premises registered in Purewal's name in Pitt Meadows, BC, more particularly described as PID: 011-105-526, Lot "A" Section 34 Township 9 NWD Plan 7231 (the "**Processing Plant**"); and
 - c. the lands and premises registered in Purewal's name in Pitt Meadows, BC, more particularly described as PID: 004-654-161, Lot 6 Section 27 Township 9 New Westminster District Plan 3710 (the "**Home**"). [NTD: definition of "Purewal Property" deleted as it is not used again.]
- F. Pursuant to the offer to purchase between 1043806 B.C. Ltd. ("**1043**") and Purewal dated February 16, 2016 (the "**Purchase Agreement**"), Purewal sold its undivided 5/10 interest in the Farm Lands to 1043.
- G. Pursuant to the Purchase Agreement, 1043 was to assume the Lease and use its best commercial efforts to have the Berar Mortgage discharged from the Processing Plant and the Home by providing alternate security to the Berar Parties. The Lease was purportedly assigned by the Numbered Companies to 1043 pursuant to a General Assignment of Leases dated March 2016. However, no alternative security was ever provided by 1043 and the Berar Parties have taken the position that the Partnership remains as the tenant under the Lease as the Berar Parties never consented to the assignment of the Lease to 1043.
- H. On April 30, 2018, Purewal commenced restructuring proceedings under the *Bankruptcy and Insolvency Act* (the "**NOI Proceedings**") by filing a Notice of Intention to Make a Proposal.
- I. On October 11, 2018, the British Columbia Supreme Court (the "**Court**") granted an Order (the "**Initial Order**") for Purewal to continue the NOI Proceedings under the *Companies' Creditors Arrangement Act* (the "**CCAA Proceedings**"). The Numbered Companies and the Partnership are also petitioners in the CCAA Proceedings.
- J. On or about March 15, 2019, the Processing Plant was sold and the proceeds were distributed pursuant to the Order of the Court pronounced December 12, 2018 (the "**Approval and Vesting Order**") in the CCAA Proceedings. Pursuant to the Approval and Vesting Order, the Berar Mortgage attached to the proceeds of sale of the Processing Plant (the "**Processing Plant Proceeds**").
- K. On May 22, 2018, the Berar Parties' former legal counsel forwarded a demand letter to the Proposal Trustee claiming an amount of \$396,293.73 against the Petitioners for arrears, interest and legal costs owing to the Berars under the Lease.
- L. On August 15, 2018, two proofs of claim were received from the Berar Parties' legal counsel. The first claim was submitted on behalf of the Berars in the amount of \$59,122.87 and the second claim was submitted on behalf of Berar Farms in the amount of \$356,798.90.

- M. On June 13, 2019, two updated proofs of claim were received from the Berar Parties' legal counsel. The first updated claim was submitted on behalf of the Berars in the amount of \$869,835.75 and the second updated claim was submitted on behalf of Berar Farms in the amount of \$1,167,511.78.
- N. The Lease has a remaining unexpired term of five years.
- O. On or about November 6, 2018, the Berar Parties provided a report to the Petitioners alleging damages to the Farm Lands and detailing the steps required to return the Farm Lands to the state there were in at the time the Lease was entered into. The total estimate for the repairs was approximately \$811,000 (the "**Damage Claim**").
- P. The Berar Parties' claims, including the Damage Claim, against the Petitioners (the "**Berars' Claim**") are secured by the Berar Mortgage.
- Q. The Petitioners contest the amount of the Berars' Claim, however, the Petitioners desire to avoid the on-going costs of disputing the Berars' Claim further and seek therefore to resolve the matter.
- R. The parties hereto (collectively, the "**Parties**", and individually, a "**Party**") desire to settle and compromise the Berars' Claim on the terms set out here.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the mutual covenants and agreements herein and subject to the terms and conditions set out in this Agreement, the Parties agree as follows:

1. The Petitioners agree to accept the Berars Claim as secured by the Berars Mortgage as follows:

Arrears	\$490,000
Shortfall on rent for the remainder of the term of the Lease	\$600,000
Out of pocket expenses for the remainder of the term of the Lease	\$230,000
Damages to the Lands	\$635,000
TOTAL	\$1,955,000

(the "**Outstanding Amount**")., and to pay, the Outstanding Amount plus any applicable taxes to counsel for the Berar Parties, McMillan LLP, in trust, within three days of satisfaction of the Mutual Condition (defined below).

2. The Berar Parties agree to release their interest in the Processing Plant Proceeds and discharge the Berar Mortgage from the Farm Lands and the Home upon receipt of the Outstanding Amount by McMillan LLP, in trust, on behalf of the Berar Parties.
3. Upon payment of the Outstanding Amount plus any applicable taxes and the discharge of the Berar Mortgage, the Parties agree to execute an amendment and assignment of the Lease substantially in the form attached hereto as Exhibit "A" (the "**Amendment and Assignment of Lease**"), whereby:

- 3.1. the Lease is amended (as so amended, the "**Assigned Lease**") to delete the obligation of the Tenant to pay the Purewal Rent; and
- 3.2. the Berar Parties, or their nominee, will take an assignment of the Petitioners' interests under the Assigned Lease and assume all of the Petitioners' obligations under the Assigned Lease.
4. Notwithstanding paragraph 3, the Berar Parties agree that the Petitioners are at liberty to collect the arrears of rent, if any, payable pursuant to the Lease for the period to and including the date of execution of this Agreement (the "**Pre-Settlement Period**"), from those sub-tenants or others who have farmed the Farm Lands during the Pre-Settlement Period (the "**Sub-Tenants**"), and that the Berar Parties will not have a claim to any arrears in respect of the Pre-Settlement Period other than pursuant to this Agreement.
5. The Berar Parties further agree that if they receive any payments from the Sub-Tenants in respect of amounts to which the Petitioners are entitled pursuant to paragraph 4:
 - 5.1. The Outstanding Amount shall be reduced by the total of any payments received by the Berar Parties prior to receipt by them of the Outstanding Amount in accordance with paragraph 1 of this Agreement; and
 - 5.2. The Berar Parties will pay to the Petitioners any payments received by the Berar Parties after they have received the Outstanding Amount in accordance with paragraph 1 of this Agreement.
6. The Parties' obligations to each other under this Agreement are subject to the approval of this Agreement by the Court and the issuance of an order (or separate orders) of the Court in the CCAA Proceedings approving the transactions contemplated herein and transferring and conveying registered and beneficial ownership of the Assigned Lease to the Berar Parties, or their nominee, free and clear of all encumbrances, and all applicable appeal periods therefrom have lapsed (the "**Mutual Condition**").
7. Upon satisfaction of the Mutual Condition and the Petitioners' obligations hereunder, the Berar Parties each release and forever discharge each of the Petitioners and their respective heirs, representatives, affiliates and assigns, from all claims, contracts, costs, expenses, demands, damages and causes of action, both in law and in equity, whether known or unknown, whether implied or express, that the Berar Parties, or each of them, ever had, may now have or which the Berar Parties, each of their respective heirs, agents, administrators, successors or assigns (as the case may be) or any of them can, shall or may have arising out of or connected with the Berar Claim, the Berar Mortgage, the Lease, the Assigned Lease and/or the Farm Lands.
8. Upon satisfaction of the Mutual Condition and the Berar Parties' obligations hereunder, the Petitioners each release and forever discharge each of the Berar Parties and their respective heirs, representatives, affiliates and assigns, from all claims, contracts, costs, expenses, demands, damages and causes of action, both in law and in equity, whether known or unknown, whether implied or express, that the Petitioners, ever had, may now have or which the Petitioners, each of their respective heirs, agents, administrators, successors or assigns (as the case may be) or any of them can, shall or may have arising out of or connected with the Berar Claim, the Berar Mortgage, the Lease, the Assigned Lease and/or the Lands.

9. The purpose of this Agreement is to settle and compromise disputed claims and differences and nothing in this Agreement is or shall be deemed to be an admission of any liability on the part of any Party to any other, and any such liability is expressly denied.
10. Each of the Parties shall pay its, her or his own costs and expenses of and incidental to the preparation of this Agreement.
11. This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter herein and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the Parties and there are no warranties, representations or other agreements between the Parties in connection with the subject-matter of this Agreement except as specifically set forth herein.
12. This Agreement is not assignable by any Party without the prior written consent of the other Parties. Any attempt to assign any of the rights, duties or obligations of a Party pursuant to this Agreement without such prior written consent is void.
13. Time is of the essence to this Agreement.
14. Each of the Parties shall, upon reasonable request of the other, do or cause to be done all further lawful acts, deeds and assurances whatsoever for the better performance of the terms and conditions of this Agreement.
15. The recitals to this Agreement form a part of this Agreement.
16. This Agreement is governed by the laws of British Columbia and the courts of British Columbia shall have exclusive jurisdiction over this Agreement, including without limitation the enforcement of this Agreement and any disputes regarding its interpretation and application. The Parties hereby expressly agree to attorn to the jurisdiction of the courts of British Columbia in respect of any proceedings arising from or related to this Agreement.
17. This Agreement shall enure to the benefit of and be binding on the respective successors and permitted assigns of each of the Parties.
18. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which all together shall constitute one and the same document. This Agreement may be delivered by facsimile or email and, to that extent, any Party delivering this Agreement in either of those ways will be deemed to have delivered an original.
19. The Parties have each obtained its, her or his own independent legal advice with respect to the terms of this Agreement prior to its execution, or acknowledges having had the opportunity to obtain such advice and declining to do so.

IN WITNESS WHEREOF the Parties have caused this Agreement to be duly executed as of the date and year first above written.

[Signature Page to Follow.]



HARJINDER SIGN BERAR



KARMJIT KAUR BERAR

BERAR FARMS LTD.

Per: 
Authorized Signatory

NELSON ROAD INVESTMENTS LTD.

Per: 
Authorized Signatory

PUREWAL BLUEBERRY FARMS LTD.

Per: _____
Authorized Signatory

0726357 B.C. LTD.

Per: _____
Authorized Signatory

0726365 B.C. LTD.

Per: _____
Authorized Signatory

0726368 B.C. LTD.

Per: _____
Authorized Signatory

PUREWAL FARM PARTNERSHIP

Per: _____
Authorized Signatory

HARJINDER SIGN BERAR

KARMJIT KAUR BERAR

BERAR FARMS LTD.

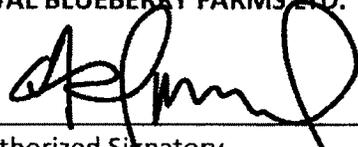
NELSON ROAD INVESTMENTS LTD.

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

PUREWAL BLUEBERRY FARMS LTD.

0726357 B.C. LTD.

Per: _____

Authorized Signatory

Per: _____
Authorized Signatory

0726365 B.C. LTD.

0726368 B.C. LTD.

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

PUREWAL FARM PARTNERSHIP

Per: _____

Authorized Signatory

HARJINDER SIGN BERAR

KARMJIT KAUR BERAR

BERAR FARMS LTD.

NELSON ROAD INVESTMENTS LTD.

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

PUREWAL BLUEBERRY FARMS LTD.

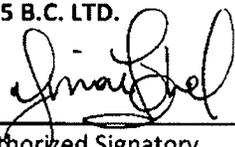
0726357 B.C. LTD.

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

0726365 B.C. LTD.

0726368 B.C. LTD.

Per: 
Authorized Signatory

Per: _____
Authorized Signatory

PUREWAL FARM PARTNERSHIP

Per: _____
Authorized Signatory

Appendix A

AMENDMENT AND ASSIGNMENT OF LEASE

THIS AGREEMENT dated for reference the ____ day of ♦, 2019.

AMONG:

HARJINDER SINGH BERAR and KARMJIT KAUR BERAR
9600 No. 6 Road
Richmond, BC V6W 1E4

(the "**Berars**")

BERAR FARMS LTD. (Inc. No. 0979883)
9600 No. 6 Road
Richmond, BC V6W 1E4

(**"Berar Farms"**)

NELSON ROAD INVESTMENTS LTD. (Inc. No. 0978605)
9600 No. 6 Road
Richmond, BC V6W 1E5

(**"Nelson"**, and collectively with the Berars and Berar Farms, the "**Berar Parties**"),

PUREWAL BLUEBERRY FARMS LTD. (Inc. No. BC0726034)
#309-22230 North Avenue
Maple Ridge, BC V2X 2L5

(**"Purewal"**)

0726357 B.C. LTD. (Inc. No. BC0726357)
13778 Hale Road
Pitt Meadows, BC V3Y 1Z1

(**"357"**)

0726365 B.C. LTD. (Inc. No. BC0726365)
13549 Hale Road
Pitt Meadows, BC V3Y 1Z1

(**"365"**)

0726368 B.C. LTD. (Inc. No. BC0726368)
13549 Hale Road
Pitt Meadows, BC V3Y 1Z1

(“**368**”, and collectively with 357 and 365, the “**Numbered Companies**”)

PUREWAL FARM PARTNERSHIP (Reg. No. FM0404307)
#300 – 10366 – 136A Street, Surrey, BC V3T 5R3

(the “**Partnership**”, and collectively with Purewal and the Numbered Companies, the “**Petitioners**”)

WHEREAS:

A. By a lease dated September 30, 2013, registered in the Land Title Office under Registration No. CA3427561, and a supplemental lease agreement dated September 30, 2013 (together, the “**Lease**”), the Landlords granted the Partnership the right to use, occupy and enjoy the lands and premises in Richmond, BC, more particularly described as PID: 000-533-637, Lot 12 Section 17 Block 4 North Range 4 West NWD Plan 24609 and PID: 000-533-581, Lot 15 Except: Part on Statutory Right of Way Plan NWP88249, Section 8 Block 4 North Range 4 West NWD Plan 26787 (the “**Farm Lands**”).

B. Pursuant to and in accordance with the settlement agreement and mutual agreement dated [●] (the “**Settlement Agreement**”) among the parties thereto, the Petitioners wish to assign their respective interests in the Lease to the Berar Parties, or their nominee, for the remainder of the term of the Lease.

NOW THEREFORE in consideration of the premises and of the sum of ten (\$10.00) dollars now paid by each of the parties hereto to the other (the receipt and sufficiency whereof are hereby acknowledged), the parties hereto hereby covenant and agree each with the other as follows:

1. **Defined Terms**

Save as otherwise defined herein, capitalized terms used in this Agreement have the meanings ascribed to those terms in the Lease.

2. **Amendment**

The Lease is amended by deleting paragraph 2 i of the supplemental lease agreement dated September 30, 2013.

3. **Assignment**

Effective on ♦, 2019, each of the Petitioners assign to the [Berar Parties or their nominee] all of the Petitioners’ rights, title and interest in and to the Lease.

4. **Condition of the Premises**

The Berar Parties have inspected the Farm Lands and accept the Farm Lands “as-is” and confirm that no representation has been made by the Petitioners as to the terms of the Lease or the condition of the Farm Lands or the suitability of the Farm Lands for any purpose. In particular, the Petitioners have no responsibility in respect of any renovations, alterations, improvements or repairs which the Berar Parties or their nominee(s) may require or desire in respect of the

Farm Lands, and the Petitioners acknowledge that the Berar Parties or their nominee(s) will be solely responsible for all costs of renovations, alterations, improvements or repairs to the Farm Lands approved in accordance with the Lease.

5. **No Waiver or Modification**

This Assignment does not waive or modify in any respect any of the rights of the Landlords or the Tenant under the Lease.

6. **Notices**

Any notice given in connection with this Agreement will be delivered to such address as any of the parties may designate in writing, and such notice will be delivered in accordance with the Lease.

7. **Survival of Provisions**

The provisions of the Lease will survive the execution and delivery of this Agreement and will not merge in this Agreement.

8. **Enurement**

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective executors, heirs, administrators, successors and permitted assigns, as applicable.

9. **Further Assurances**

The parties hereto will execute and deliver such further and other documents and will do such other and further acts and things as may be necessary to carry out and give effect to the intent of this Agreement.

10. **Governing Law**

This Agreement will be governed by and shall be interpreted in accordance with the laws of the Province of British Columbia.

11. **Execution**

This Agreement may be executed in counterparts and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means, including by facsimile transmission or by electronic delivery in portable document format (".pdf"), shall be equally effective as delivery of a manually executed counterpart hereof. The parties acknowledge and agree that in any legal proceedings between them respecting or in any way relating to this Agreement, each waives the right to raise any defence based on the execution hereof in counterparts or the delivery of such executed counterparts by electronic means.

IN WITNESS WHEREOF the parties have caused this Agreement to be duly executed as of the day and year first above written.

[Signature Page to Follow.]

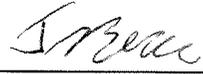


HARJINDER SIGN BERAR



KARMJIT KAUR BERAR

BERAR FARMS LTD.

Per: 
Authorized Signatory

NELSON ROAD INVESTMENTS LTD.

Per: 
Authorized Signatory

PUREWAL BLUEBERRY FARMS LTD.

Per: _____
Authorized Signatory

0726357 B.C. LTD.

Per: _____
Authorized Signatory

0726365 B.C. LTD.

Per: _____
Authorized Signatory

0726368 B.C. LTD.

Per: _____
Authorized Signatory

PUREWAL FARM PARTNERSHIP

Per: _____
Authorized Signatory

APPENDIX B

APPRAISAL ESTIMATING
THE FEE SIMPLE MARKET VALUE OF AN AGRICULTURAL
PROPERTY

LOCATED AT:
13549 HALE ROAD, PITT MEADOWS, BC



DATE OF VALUATION:
APRIL 22, 2019

PREPARED FOR:
FTI CONSULTING

GWRA FILE No. 201904-10505

May 2, 2019

GWRA File No. 201904-10505

FTI Consulting
Suite 15-131
555 Burrard Street
Vancouver, BC V7X 1M8

Attention: Mr. Craig Munro

**Re: Estimate of Fee Simple Market Value for an Agricultural Property Located at
13549 Hale Road, Pitt Meadows, BC**

Dear Sir:

In accordance with your request, we have completed an appraisal estimating current market value for the Fee Simple Interest in the property that is legally described as:

Lot 6, Section 27, Township 9, New Westminster District Plan 3710

It is our understanding that the appraisal is required to assist in internal due diligence regarding the possible sale of the property. In consideration of the preceding, and after analyzing the data gathered during the course of our investigations and subsequent analysis of the marketplace, we have concluded that the market value of the subject property, as at April 22, 2019 would be as follows:

MARKET VALUE CONCLUSION	
Appraisal Premise	
Estimate of Market Value (Forced Sale Conditions):	\$2,500,000
Estimate of Market Value (Standard Sale Conditions):	\$2,820,000

Our report including addenda is attached forming the basis of these opinions and must be read as a whole as sections taken out of context may be misleading. The report has been prepared in accordance with the Canadian Uniform Standards of Professional Appraisal. Your attention is directed to the assumptions and limiting conditions of the report which may impact these opinions.

Yours truly,

Garnett Wilson Realty Advisors Ltd.



Per: Adrian Zaldivar, B.Comm
(AIC Candidate)



Neil Hahn, AACI, P.App.
B.Comm

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ADDENDA

APPENDIX “A” COPY OF TITLE & CHARGE INFORMATION

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APPENDIX “C” QUALIFICATIONS OF THE APPRAISERS

SUMMARY OF SALIANT FACTS

Effective Date of Valuation:	April 22, 2019
Date of Inspection:	April 22, 2019
Property Type:	Agricultural Land
Aerial Photo:	
Legal Description:	Lot 6, Section 27, Township 9, New Westminster District Plan 3710
13549 Hale Road:	13549 Hale Road
Registered Owners:	Purewal Blueberry Farms Ltd.
PID:	004-654-161
Site Area (ha.):	7.596 ha.
Site Area (ac.):	18.770 ac.
Zoning:	A-1
OCP:	Agricultural
Highest and Best Use:	Continuation of existing use
Estimated Exposure Time:	6 - 12 months
MARKET VALUE CONCLUSION	
Appraisal Premise	
Estimate of Market Value (Forced Sale Conditions):	\$2,500,000
Estimate of Market Value (Standard Sale Conditions):	\$2,820,000

INTRODUCTION

Terms of Reference

Garnett Wilson Realty Advisors Ltd. (GWRA) has been retained by FTI Consulting to prepare an appraisal estimating market value for the subject property as of the effective date of valuation. As per our Terms of Reference, we have been instructed to value the property under two scenarios:

- 1) Standard Market Conditions: a sale with a typical marketing timeframe and sale conditions (ie. financing, inspections etc.)

- 2) Forced Sale Conditions: a sale with shorter exposure time and no conditions.

Intended Use of Report

This report has been prepared for internal due diligence purposes relating to the possible sale of the property.

Effective Date of Appraisal

This appraisal reflects an estimate of market value as of April 22, 2019 based on the condition of the property as at that date.

Scope of the Appraisal

This report constitutes a complete appraisal in a narrative format, which has been prepared in accordance with the Canadian Standards of Professional Appraisal Practice as adopted by the Appraisal Institute of Canada on August 1, 2018. In the preparation of this appraisal, we have conducted a complete market analysis including the following:

Inspection

- Adrian Zaldivar (AIC Candidate) conducted an inspection of the subject property on April 22, 2019;

INTRODUCTION (continued)

Data Research

- Reviewed title and charge documentation for the Subject Property obtained through access to myLTSA online services. A legal opinion was not provided in conjunction with this assignment and therefore any interpretation of title or charge information is subject to review by a legal professional.
- The site area and measurements of the subject property were obtained through reference to Legal Plan NWP3710. The information was crosschecked with BC Assessment Records.
- The description of the improvements is based on our cursory inspection. The information is assumed to be accurate as if partially forms the basis of our value opinion.
- The replacement cost new for the subject improvements was obtained through access to Marshall and Swift cost estimating online tool. We are not qualified quantity surveyors and we recommend one to be retained for greater accuracy.
- The 2019 property assessments and taxes were obtained from BC Assessment online services.
- Other property data (i.e. land use control, building age, servicing, topography, etc.) have been compiled from public records at the City of Pitt Meadows.
- Sources of market evidence include, as appropriate: the local real estate board, Land Title Office transactions – including those reported by Data Systems (RealNet Canada Inc.) local assessors, and real estate agents, vendors and purchasers' active in the market, and file data maintained by GWRA.
- In estimating Highest and Best Use for the property, we have analyzed data compiled for the neighbourhood, site, zoning and other land use control description sections.

We did not complete technical investigations such as:

- Detailed inspections or engineering review of the structure, roof or mechanical systems;
- An environmental review of the property;
- A site or building survey;
- Investigations into the qualities of the soils; or

INTRODUCTION (continued)

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

The information supplied by the client along with information gathered from our inspection and investigations in the marketplace has been carefully analyzed and correlated. The information has been utilized to estimate market value for the subject property, based on the level of the market and foreseeable outlook as of the effective date of valuation.

We direct your attention to the Assumptions and Limiting Conditions at the end of the report that could further limit the scope of this report.

Property Rights Appraised

The property rights appraised are those of the "fee simple" interest defined by the Appraisal Institute of Canada as:

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

Definition of Market Value

"Market value" is defined in the "*Canadian Uniform Standards of Professional Appraisal Practice*" (*The Standards*) as...

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

INTRODUCTION (continued)

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of Canadian dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

As discussed previously, as per our Terms of Reference, our Client has asked us to appraise the property using both the typical sale conditions noted above and a "Forced Sale Value". The CUSPAP defines Forced Sale Value as:

"A term synonymous with "liquidation value", "distress sale" or "power of sale" implying a reduced selling period and a compulsion to sell real property. Forced sale value is not a concept separate from market value but is a form of marketing conditions less favourable to the seller than those set out in the definition of market value."

Exposure Time

Exposure time is the estimated length of time the property would have been offered prior to a hypothetical market value sale on the effective date of valuation. It is a retrospective estimate based on an analysis of past events, assuming the competitive and open market. It assumes not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable market effort. Exposure time is therefore interrelated with the conclusion of value. In consideration of these factors, we have analyzed the following:

- Exposure periods of comparable sales revealed during the course of this appraisal;
- Exposure time for similar properties in comparison to the subject property as published by the *Greater Vancouver and Fraser Valley Real Estate Boards*; and
- Knowledgeable real estate professionals.

INTRODUCTION (continued)

Based on the foregoing analysis, for the standard market condition value, we have estimated an exposure time of 6 – 12 months as being reasonable, defensible, and appropriate. Garnett Wilson Realty Advisors Ltd. assumes the subject property would have been competitively priced and promoted regionally.

With regard to the “Forced Sale Value” a shorter exposure time, say 1 – 3 months would be anticipated. Given the current conditions in the residential and agricultural marketplace, this shorter exposure time would likely have a negative impact on the achievable market value.

Property History

The Canadian Uniform Standards of Professional Appraisal Practice require appraisers of real property to consider and analyze pending and recent agreements, options, listings, and sales involving the property being appraised that occurred within three years. According to BC Assessment records, the subject property has been held in long term ownership by the current owner registered on title. Our review of MLS records of the Greater Vancouver and Fraser Valley Real Estate Boards indicate the following listing activity for the subject property over the past three years.

List Date	List Price	Listing Status	Days on Market
Jun-2016	\$3,999,800	Terminated	161
Nov-2016	\$3,799,900	Expired	370
Dec-2017	\$3,999,900	Expired	212

We are unaware of any pending agreements to list or sell the subject property at this time.

INTRODUCTION (continued)

EXTRAORDINARY ASSUMPTIONS AND LIMITING CONDITIONS

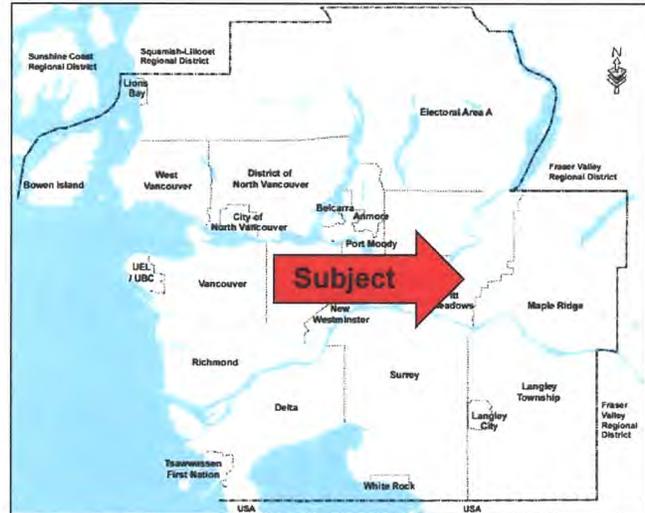
- The subject property is assumed to be clean from environmentally sensitive materials;
- The description of the subject improvements is based on our inspection and from information obtained from the multiple listing service. We were not provided by a building survey and we are not qualified building surveyors. Therefore, the floor area of the subject improvements is based on information obtained from multiple listing service records. The area was crosschecked with approximate measurements taken during our inspection. The information is assumed to be accurate as it partially forms the basis of our value opinion.

MARKET AREA DESCRIPTION

Regional Data

The City of Pitt Meadows is located in the southwest corner of the Province of British Columbia and is part of the Greater Vancouver Regional District – referred to as "Metro Vancouver". Metro Vancouver and the Fraser Valley Regional District to the east are commonly referred to as the "Lower Mainland".

Spread over 282,000 hectares of land, Metro Vancouver is comprised of 21 member municipalities as well as one treaty First Nation and one electoral area. As



reported by BC Stats, its current population is over 2.474 million people and contains over half the population of the province. Pitt Meadows, a member of Metro Vancouver, is located in the southeast corner of the province as well as Metro Vancouver and is bordered to the north by the Coast Mountains, to the west by the Pitt River, to the south by the Fraser River and to the east by the City of Maple Ridge.

City Description

The City of Pitt Meadows is located in the Lower Fraser Valley, east of Vancouver and situated next to Port Coquitlam and Maple Ridge as shown on the map on the following page. Pitt Meadows is a primarily agricultural area, situated on the north side of the Fraser River at its junction with the Pitt River. The City is also bisected by the two arms of the Alouette River, along with a number of other sloughs and waterways. Pitt Meadows is considered the "Gateway" to the Fraser Valley and is forty minutes by West Coast Express passenger train service and one hour by car from Vancouver's downtown area.

MARKET AREA DESCRIPTION (continued)

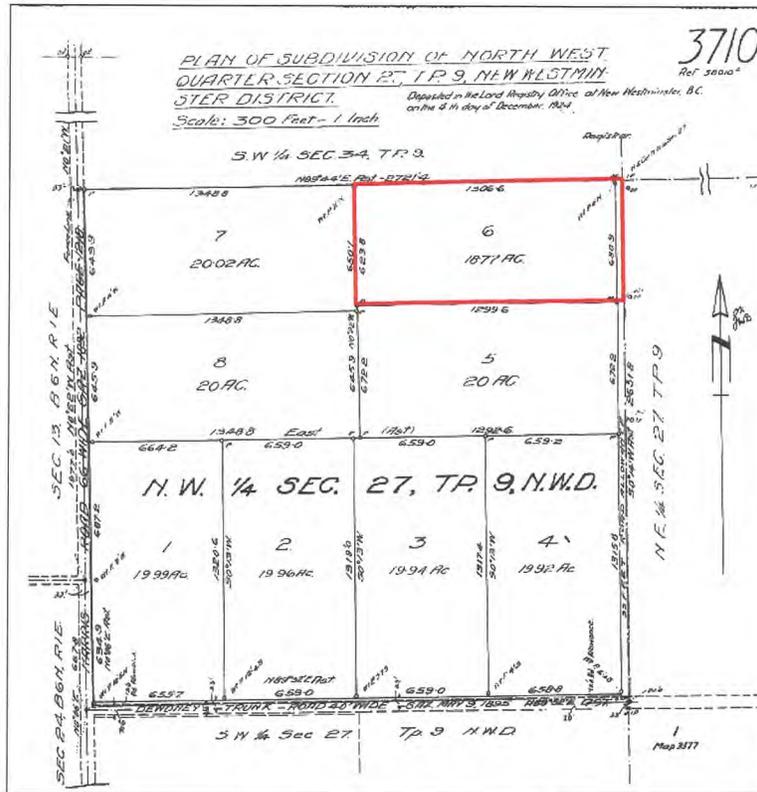
According to Statistics Canada's latest 2016 census, between 2011 and 2016 the population of Pitt Meadows rose by 4.7% to ±18,573. Agriculture continues to be the City's main economic driver, ranking Pitt Meadows sixth among BC's municipalities in its value of agricultural production. However, by labour force the largest employer is construction, health care, and retail trade.



Neighbourhood and Occupant Analysis

More specifically, the subject property is located in north Pitt Meadows. The lands surrounding the subject are all in use for agricultural related uses. Properties within the immediate area are mostly zoned for agricultural use and are located within the ALR. Pitt Meadow's commercial core, located around Harris Road, is approximately 5 km south of the subject.

FACTUAL DATA - SITE DESCRIPTION



Excerpt of Plan NWP3710

Introduction: The subject property comprises one agricultural parcel in Pitt Meadows, BC. Currently, the subject is planted with blueberries and is further improved with two single family dwellings.

Legal Description: Lot 6, Section 27, Township 9, New Westminster District Plan 3710

PID: 004-654-161

Gross Site Area: 18.77 acres

SITE DESCRIPTION (continued)

Access/Street Finish: The subject property is accessed from Hale Road, a local two lane thoroughfare that is paved, but has no street lighting, storm drainage or sidewalks.

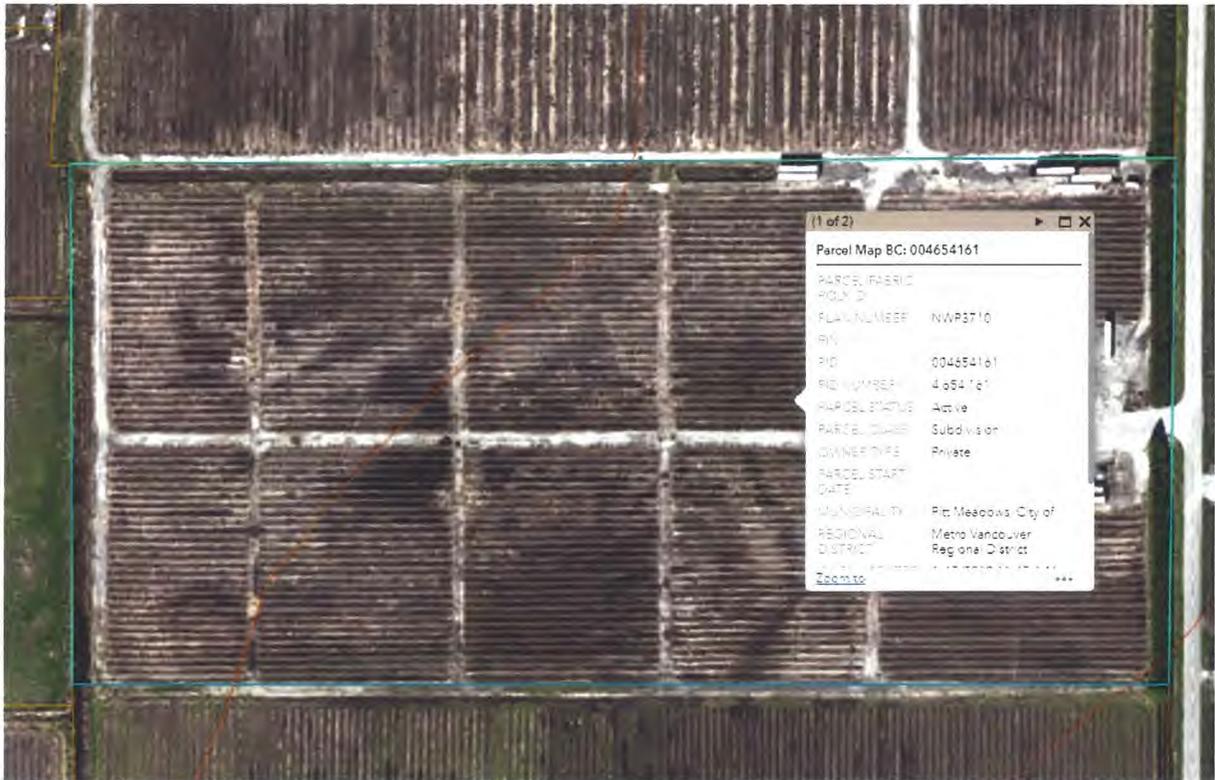
Physical Aspects: The subject property is flat with a low geodetic elevation. While some flooding was apparent at the time of our inspection we understand that this is common for early spring and typically abates by late spring. Furthermore, we understand that crop yields from the fields are not typically affected by flooding.



Topographic Map

Soils Class: Agriculture and Agri-Food Canada have seven main classes and thirteen subclasses of soils based on soil survey information. Under the main classes of 1, 2, 3 and 4, soils are considered capable of sustained use for cultured field crops. Those classed 5 and 6 are only suitable for perennial forage crops and Class 7 is for neither. The subject property is designated a mix of class 4W.

SITE DESCRIPTION (continued)



Excerpts from BC Soils Information Finder Tool

While the subject lot has relatively poor soil classifications, this is largely due to its low geodetic elevation. Our discussions with the property owner indicate that the lands are very productive for berry farming and has provided the last 10 years of crop data as shown on the following table. The property owner further indicates that the plants on the subject property were planted circa 1990 and are nearing the end of their best producing years and will likely have to be torn out and replanted in approximately 3 to 5 years.

13549 Hale Road, Pitt Meadows										
	2018 Net	2017 Net	2016 Net	2015 Net	2014 Net	2013 Net	2012 Net	2011 Net	2010 Net	2009 Net
	Wt Lbs.									
Total Production	117,000	110,000	168,122	260,000	139,970	137,648	319,084	214,850	179,403	237,258
Production/Acre	6,882	6,471	9,890	15,294	8,234	8,097	18,770	12,638	10,553	13,956

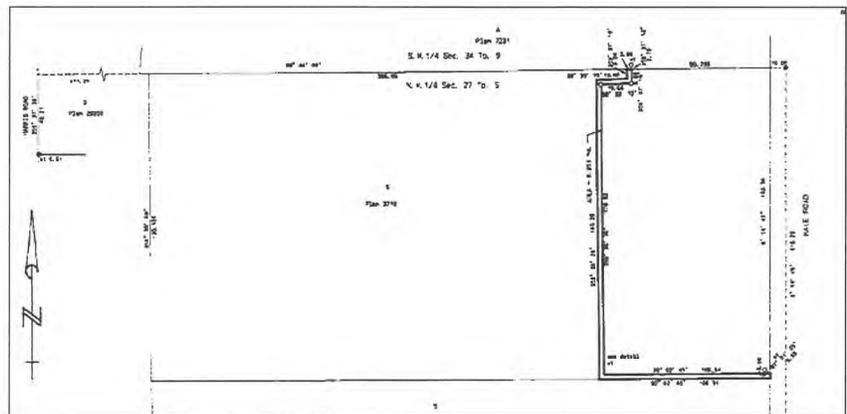
*The planted area is approximately 17 acres.

SITE DESCRIPTION (continued)

Services: The subject property has access to municipal water and sewer service.

Encumbrances: Our review of title information for the subject property reveals a number of registered charges. Details of these charges, excluding financial and litigation related charges, are as follows:

- Covenant BH311090 is registered in favour of the District of Pitt Meadows relates to pump and haul contract for a sewer holding tank that is located on the subject property. Covenant requires land owner to maintain a contract to maintain and remove waste from the storage tank
- Covenant BH316982 is registered in favour of the District of Pitt Meadows. This covenant requires that the accessory dwelling located on the subject property be “used solely for full time farm help accommodation”. The Covenant further notes that if the dwelling is not utilized for a period exceeding a year, it “shall be rendered incapable of being used for human habitation”.
- Easement BM73664 is registered in favour of the neighbouring Lot A, to the north. The easement relates to a forced main and ancillary sanitary sewer works that cross Lot 6 to access Lot A. The location of the easement is as follows:



SITE DESCRIPTION (continued)

Geotechnical: We have not been provided with engineering studies and soil tests for the subject property. We are not qualified to give engineering advice and no opinion is expressed with regard to actual soil bearing capacity of the property. It is assumed that soil conditions are conducive for the use of the subject to its highest and best use.

The appraiser is not qualified to give engineering advice. We have assumed that the overall site does not suffer from any soil stabilization or contamination problems.

We assume that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. We assume no responsibility for such conditions or for engineering, which may be required for such factors.

Environmental: In this analysis we have not taken into account any potential environmental impacts (i.e. fisheries or riparian considerations) that could impact any watercourses on the properties.

It is assumed that the subject requires no special site preparation resulting from the presence of toxic fill or other environmentally sensitive waste products. The property has not been tested for any such substances and the appraiser, as to their absence or presence, expresses no opinion on the subject property. We have assumed that the property has not been used for the storage or production of contaminants or hazardous materials. We have no knowledge of the existence of such materials on or in the property. Neither the appraiser nor *Garnett Wilson Realty Advisors* is qualified to detect such substances, the presence of which could materially affect the value of the property.

SITE DESCRIPTION (continued)

No environmental studies or environmental assessment of the property has been provided nor have we been authorized to commission such study. No responsibility is assumed for any such conditions or for any specialized expertise or engineering knowledge required to discover, remove, or remediate the property should such contaminants be proven to exist. It is recommended that the reader of this report retain an expert in this field if there is any doubt regarding the quality of the lands or soils in question.

DESCRIPTION OF THE IMPROVEMENTS

Introduction

The subject property is improved with a number of improvements including:

1. A single family dwelling with a total area of 6,500 sq.ft. that was constructed circa 1994.
2. A 2,800 sq.ft. accessory single family dwelling used as farm accommodation for workers.



The Single Family Dwelling (main house)

The single family dwelling is a two-storey wood frame structure that was originally constructed in 1994. As can be noted from the attached photographs, the property features high end finishes. Details of this building area as follows:

Building Size: 6,500 sq.ft.

Date of Construction: 1994.

Construction Type: Two storey wood frame construction, stucco exterior with asphalt tile roof.

Floor: Poured in place concrete foundation with concrete slab (assumed).

Interior Improvements: The subject building appears to be constructed to a high quality standard.

Condition of the

Improvements: The building appears in good condition with no indication of deferred maintenance.

IMPROVEMENTS DESCRIPTION (continued)

The Accessory Single Family Dwelling

The accessory single family dwelling is a two storey wood frame structure that was originally constructed in 1980. As per a covenant registered on title, this building may only be utilized for workers accommodation. Details of this building are as follows:

Building Size: 2,800 sq.ft.

Date of Construction: 1980

Construction Type: Two storey wood frame construction. Exterior finishes include a mix of vinyl and brick siding. Roof is standard asphalt tile roof.

Floor: Poured in place concrete foundation with concrete slab (assumed).

Interior Improvements: The building is demised for standard residential use.

Condition of the Improvements: The building appears in average condition.

IMPROVEMENTS DESCRIPTION (continued)



Exterior view – Main house



Views of Yard



Exterior view – Main house



Interior view – Main house



Interior view of Kitchen – Main house



View of entranceway – Main house



Exterior view - Accessory single family dwelling



Exterior view - Accessory single family dwelling

IMPROVEMENTS DESCRIPTION (continued)



View of second floor kitchen - Accessory single family dwelling



View of bedroom - Accessory single family dwelling



View of main Floor Kitchen - Accessory single family dwelling

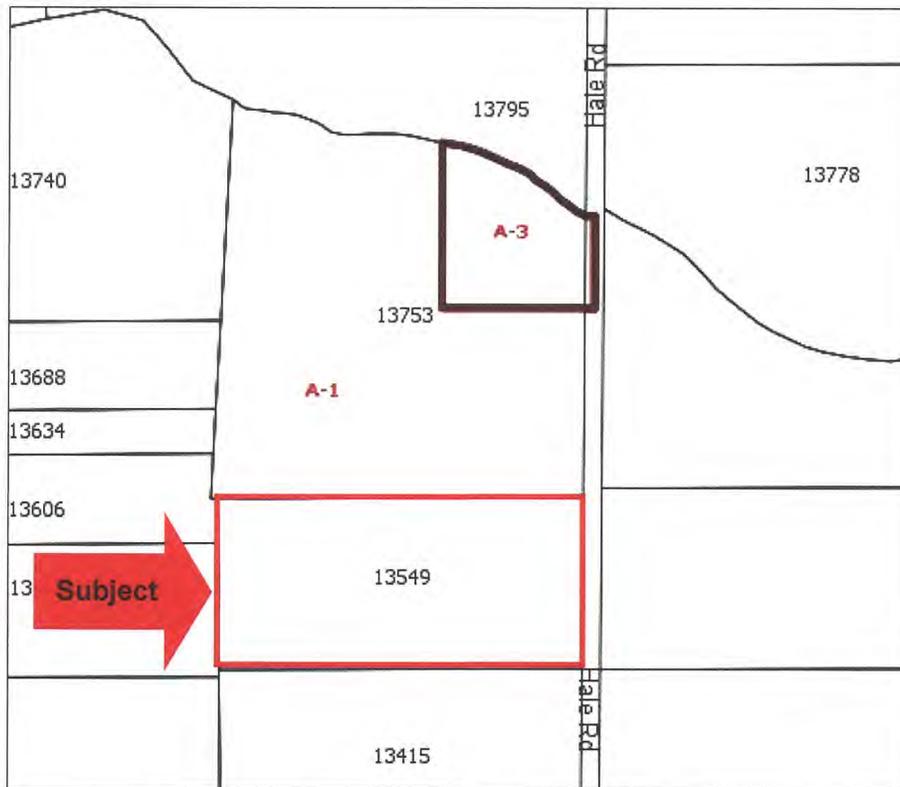


View of living room - Accessory single family dwelling

ZONING AND LAND USE POLICIES

Zoning

The subject property is zone as A-1, a General Agricultural zone. According to A-1 bylaw, the intent of the zone is to “protect the farming areas of the municipality for the production of food and goods with regulations consistent with the provisions of the Agricultural Land Commission Act and regulations”.



Zoning Map from the Pitt Meadows GIS System

Allowable uses under the bylaw A-1 include:

- Agriculture
- Farm House
- Kennel.

ZONING AND LAND USE POLICIES (continued)

Accessory uses include

- Additional Farm House
- Migrant Farm-Worker housing
- Secondary Suite
- Home-Based Business
- Agri-Tourism
- Farm Retail Sales
- Bed and Breakfast
- Accessory Farm Residential Buildings and Structures
- Accessory Agricultural Buildings and Structures
- Boarding

Accessory uses include:

- Home-Based Business
- Farm Retail Sales
- Bed and Breakfast
- Accessory Farm Residential Buildings and Structures
- Accessory Agricultural Buildings and Structures
- Boarding

In addition, the zoning bylaw outlines the following restrictions for A-1 zoning

- a) The maximum density is one *farm house* per *lot*.
- b) One additional farm house is permitted for farm operations consisting of less than 40 ha.
- c) Two additional farm houses are permitted for farm operations consisting of 40 ha or more.
- d) One dwelling unit for migrant farm-worker housing is permitted for farm operations consisting of less than 40 ha.
- e) Two dwelling units for migrant farm-worker housing are permitted for *farm operations* consisting of 40 ha or more.

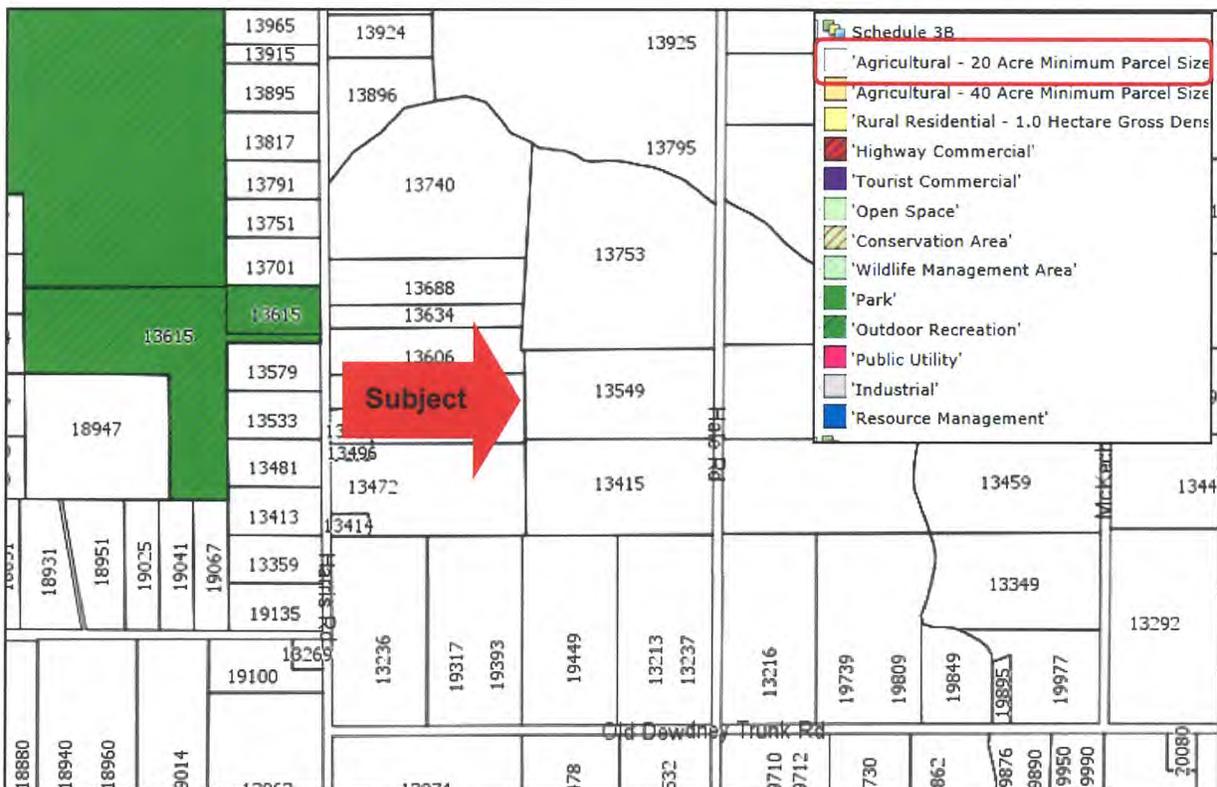
ZONING AND LAND USE POLICIES (continued)

A copy of the applicable sections of the A-1 zoning bylaw which outlines permitted uses and general regulations in effect is contained in the addenda as Appendix "B".

Official Community Plan

Future land use of all properties in the City of Pitt Meadows is described by the Official Community Plan (OCP). The OCP is a comprehensive plan designed to regulate and control future growth in the city and to provide some continuity with regard to land use.

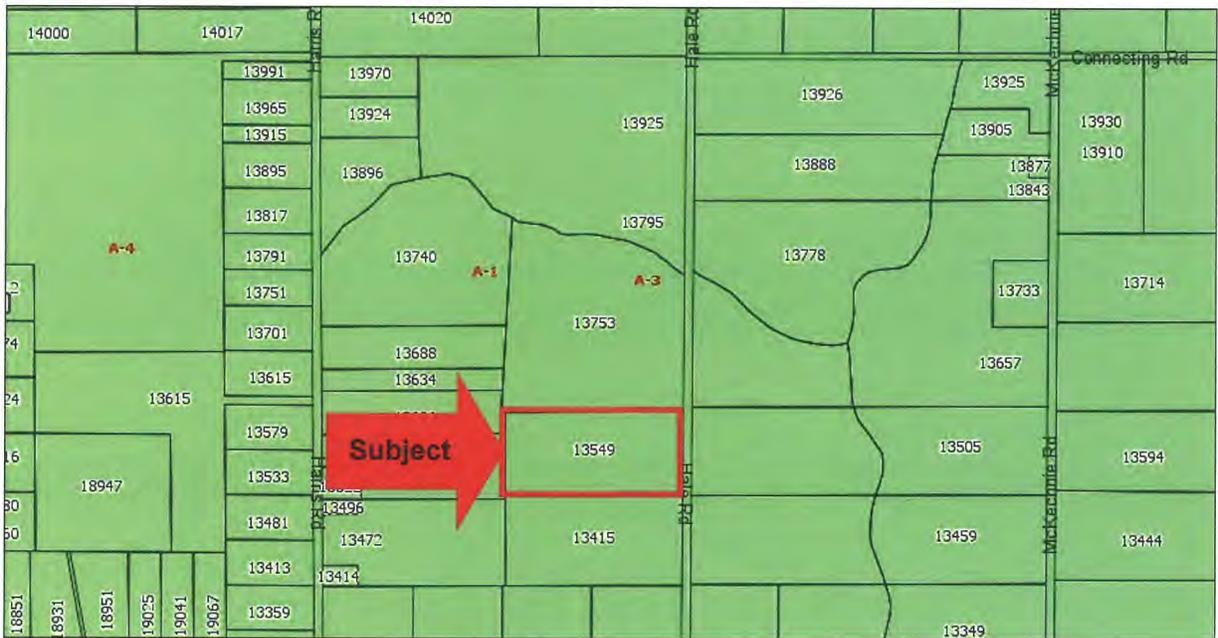
The OCP is not a zoning bylaw nor does it supersede any existing zoning or land use contracts. It does, however, outline city planning objectives for the area and places some limitation on the freedom of Council to rezone a property to allow any use other than one contained in the plan designation. As shown on the GIS map below, the property is designated as "Agricultural – 20 acre minimum parcel size".



ZONING AND LAND USE POLICIES (continued)

Agricultural Land Reserve

As can be noted from the following map the subject parcel is located within the Agricultural Land Reserve (ALR). The ALR was established in 1973 with the purpose of protecting BC's agricultural lands. This designation, therefore, restricts the use of the subject to agricultural uses and a number of ancillary uses (including the provision of one single family dwelling). The ALR is considered one of the most restrictive land use regulations in British Columbia and it is difficult to remove an ALR designation from parcels of land, a process of which can only be accomplished by submitting an application to the Agricultural Land Commission (the "ALC") – an independent administrative tribunal. With regards to any future potential to remove the subject from the ALR, discussions with representatives of the ALC indicate that a formal submission would have to be made to the ALC in order to determine whether or not the subject could be removed from the ALR. Given the ALC's mandate to protect farmland, it is considered unlikely that such an application would be supported in the foreseeable future.



ALR Map from the Pitt Meadows GIS System

TAX AND ASSESSMENT DATA

The subject's assessed value and taxes are summarized below.

Roll Year	2019
Address	13549 Hale Rd.
Roll No.	1103000
Land	\$48,325
Improvements	\$733,900
Total	<u>\$782,225</u>

The assessed values noted above reflect the market value for the property as of the preceding July 1 based on the condition on October 31. It is important to note that the above assessed values are not predicated on market value, but rather a formula utilized by BC Assessment for agricultural properties.

HIGHEST AND BEST USE

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

"That reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supportable, financially feasible, and that results in the highest value"¹

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

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

The subject of this analysis comprises a legal lot of 18.77 acres. It is currently improved with two single family dwellings. The remainder of the property is cultivated with blueberry plants.

The subject property is zoned A-1. With regard to future land use at the subject property, given its ALR designation, it is considered unlikely that its land use will change in the foreseeable future.

¹ The Appraisal Institute of Canada. The Canadian Uniform Standards of Professional Appraisal Practice, August 2018.

HIGHEST AND BEST USE (continued)

With regard to the current market for agricultural land, our discussions with market participants active in the agricultural land market in the subject area indicate that, like all commercial and residential real estate in the Lower Mainland, there is demand for agricultural land, however, values reached a peak in mid-2018 and have decreased to some degree since that time.

With regard to the existing improvements on the subject property, we are of the opinion that the single family dwellings add contributory value to the overall value of the property. There is a market for hobby farmers or detached house buyers that are willing to lease out the portion of the land not being occupied by the house.

Taking these factors into account, we are of the opinion that the highest and best use of the subject property would be for continued agricultural and residential use.

ANALYSIS AND CONCLUSIONS – APPROACH TO VALUE

There are three typically accepted ways to estimate the market value of improved properties. These are as follows:

COST APPROACH

The Cost Approach is based on the premise that an informed purchaser will not pay more for a property than the cost of producing a substitute property. This approach involves an estimate of the cost to build a new building identical to the subject at current prices, subtracting accrued depreciation that is a measurement of the loss in value from reproduction cost new, and adding the estimate of land value as if vacant.

This approach is best suited for special purpose properties or properties that have been recently improved and depreciation of the improvements is more easily measurable.

INCOME APPROACH

The Income Approach is a valuation method whereby the estimated annual net income produced by a property is capitalized at an appropriate rate into an indication of the property's capital value.

DIRECT COMPARISON APPROACH

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

APPROACH TO VALUE (continued)

Methodology Applicable to the Subject

When sufficient market evidence is available, the Direct Comparison Approach is generally considered to be the best indicator of market value as it best reflects the action of market participants active in the marketplace. In this instance, however, there is limited evidence of similar agricultural properties with similar improvements. As such, we have undertaken the Cost Approach.

The following analysis is divided into two parts. In the first part we will estimate the market value of the underlying land. In the second section, we will estimate the depreciated value of the improvements.

To crosscheck the market value estimated under the Cost Approach, we have included a brief Direct Comparison Approach at the end of this report.

As noted previously, we have been instructed by our Client to provide both the subject's market value based on standard sale conditions and its Forced Sale Value. In this analysis we will begin by estimating the value based on standard sale conditions and then consider the impact of the Forced Sale Value.

PART I: ESTIMATE OF LAND VALUE

There are six recognized methods of valuing vacant land. These methods are identified as the Direct Comparison Approach, the Allocation Method, the Extraction Method, the Land Residual Technique, the Ground Rent Capitalization Technique, and the Discounted Cash Flow Method or Subdivision Development Method.

1. **THE DIRECT COMPARISON APPROACH**, in which recent sales of similar vacant sites are analyzed and compared and then by making adjustments for dissimilarities, an indication of value is given for the subject site.
2. **THE ABSTRACTION METHOD**, which is based on the principles of balance and contribution, involves the allocation of value to the land component in a recent improved property sale by using a typical ratio of land to total property value. This method is not conclusive proof, but can be useful in establishing general parameters of value in which the final estimate of value can be found.
3. **THE EXTRACTION METHOD**, which is a variation of the abstraction method, involves estimating the depreciated value of the improvements and subtracting it from the overall sale price to indicate a vacant land value.
4. **THE DEVELOPMENT METHOD**, which is used mainly for vacant parcels of land that may be subdivided. It involves the hypothetical projection of a lot or lots and an estimate of gross sales figures. The expenses such as servicing costs, sales commissions, overhead and a profit factor are then estimated and deducted from the gross sales figure. The balance is an indication of the value of the raw land. This method is also known as the Subdivision Approach.
5. **THE LAND RESIDUAL METHOD**, which involves the hypothetical erection of various types of improvements on a site in order to determine which utility will result in the highest net return to the land. The return estimated from this optimum use is then capitalized in an appropriate manner to provide an indication of value for the subject site. This method is used mainly in estimating the value of sites with a potential for income producing improvements such as commercial and office buildings and apartments.

PART I: ESTIMATE OF LAND VALUE (continued)

6. **GROUND RENT CAPITALIZATION**, which involves the capitalization of ground rent at an appropriate rate to indicate the market value of a site. It corresponds to the value of the landowner's interest in the land, the leased fee interest. This procedure is useful when an analysis of comparable sales of leased land indicates a range of rents and capitalization rates. If the current rent corresponds to market rent, the value indication obtained by applying a market capitalization rate will be equivalent to the market value of the fee simple interest in the land. An alternative method of ground rent capitalization involves discounting the anticipated cash flows (rental income) over the holding period and the reversion, or lump sum benefit received upon termination of the investment.

In this report, we have utilized the Direct Comparison Approach to estimate the Market Value of the subject property's land component. This method involves the process of comparing the subject with other sites of similar character, which have recently sold. The three methods of comparison are:

- Price per buildable sq.ft.
- Price per sq.ft./acre of site area
- Price per unit

Given the subject's agricultural use nature, we have utilized the price per acre method as our primary value indicator. This is a commonly accepted and widely used method when valuing this property type in the Lower Mainland.

Introduction

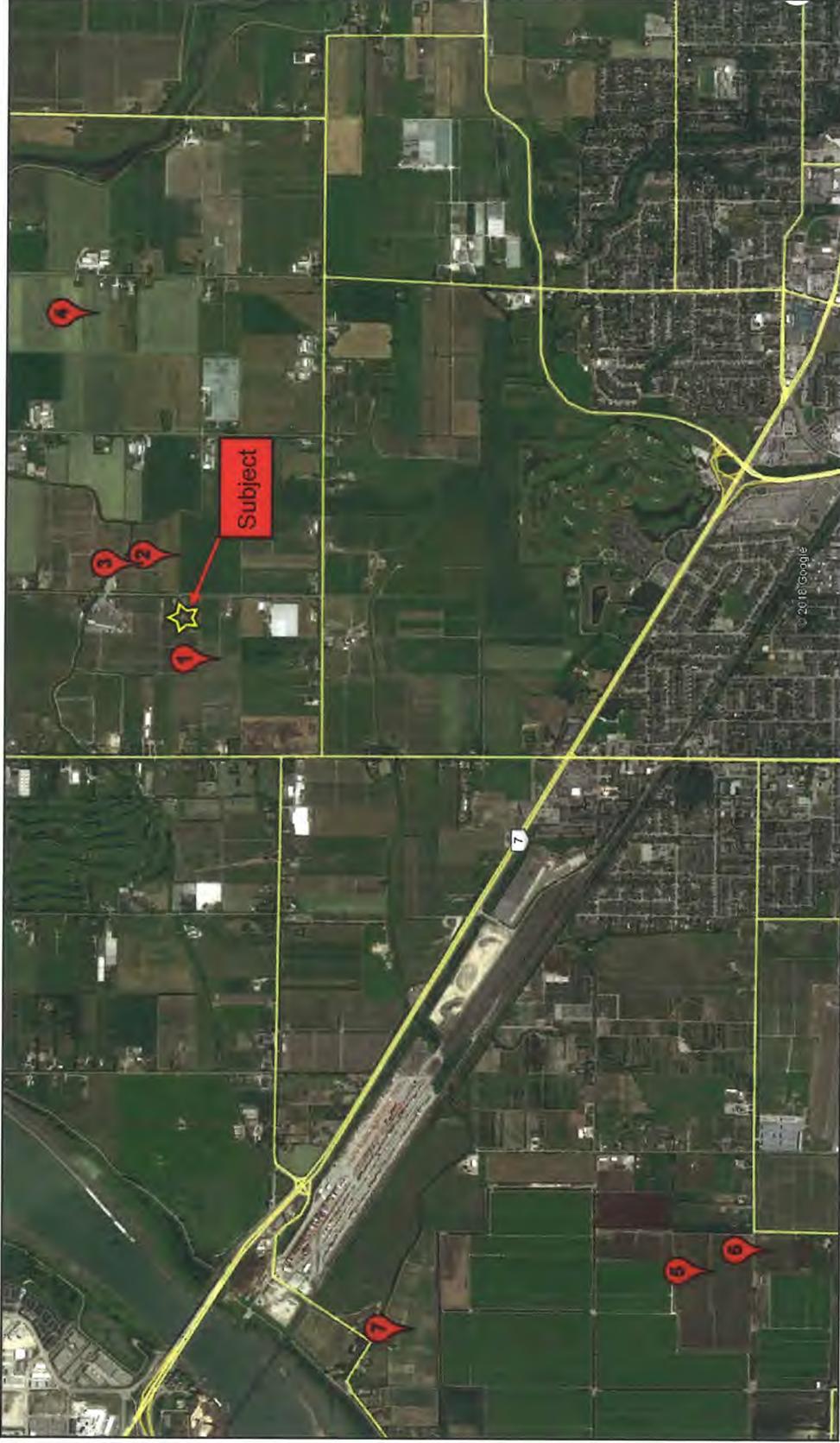
In this section, we have estimated the market value of the underlying land of the subject property. On the following pages we included a range of market data from recent sales of agricultural properties in Pitt Meadows and similar agricultural areas in Langley.

RE: ESTIMATE OF FEE SIMPLE MARKET VALUE
13549 HALE ROAD, PITT MEADOWS, BC

PART I: ESTIMATE OF LAND VALUE (continued)

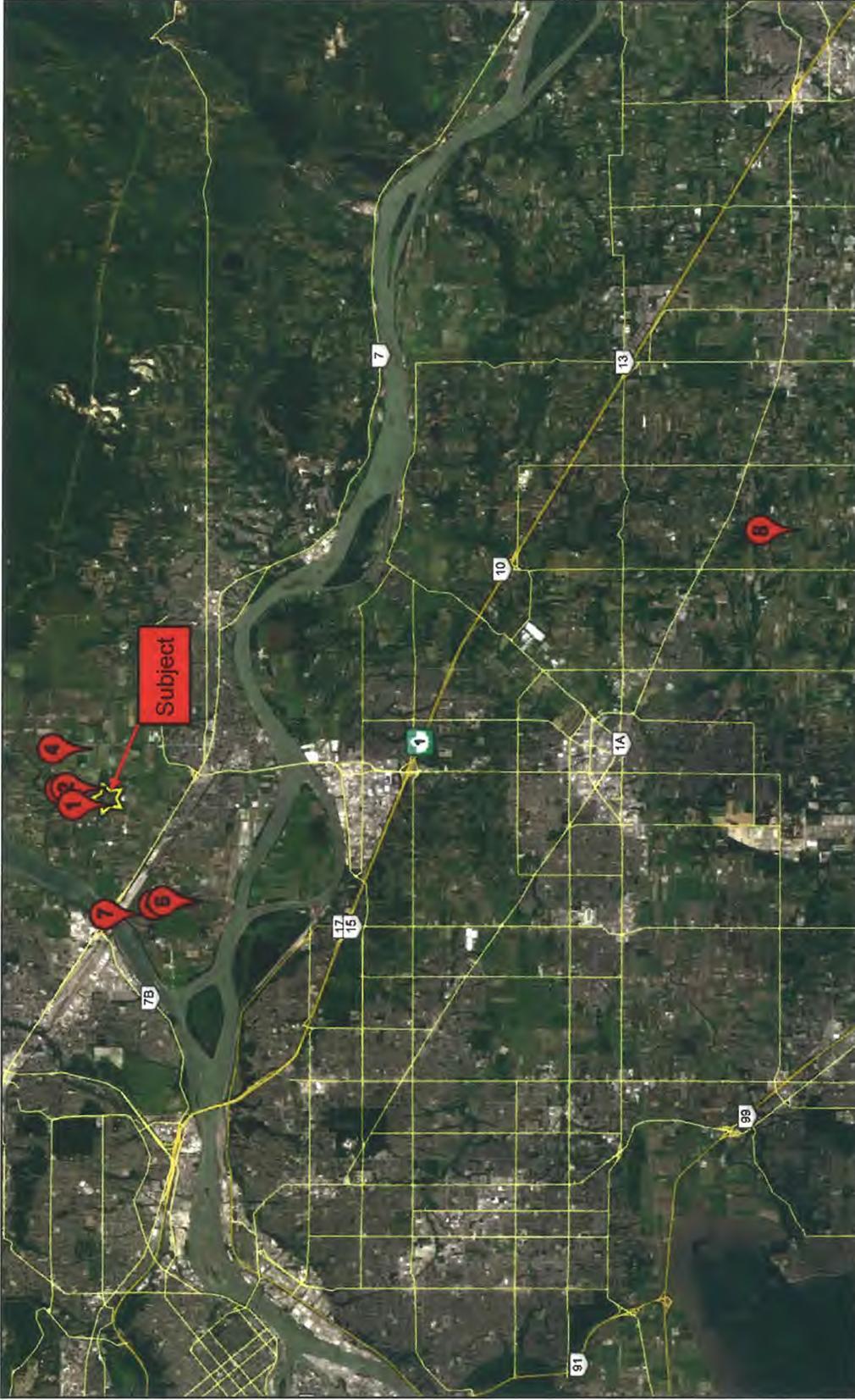
Sale No.	Address	Legal Description	Sale Date	Lot Size (Ac.)	Zoning	ALR	Selling Price (residual land value)	Selling Price / Acre (residual land value)	Comments
Agricultural land with minimal or no improvements.									
1	13415 Hale Road, Pitt Meadows	Lot 5 PINWP3710 Part I NW Sec 27 Twp 9 LD 36. PID: 010-996-672	Jan-19	20.00	A-1	Yes	\$2,275,800	\$113,790	Generally rectangular shaped lot situated on the west side of Hale Road, north of Old Dewdney Trunk Road. The property sold in January 2019 for \$2,400,000 and was improved with blueberry plants and a single storey detached home constructed circa 1971, valued at \$124,200 by BC Assessment. After deducting the value of the house, the sale indicates a value of \$2,275,800.
2	Lot 22, 13500 Block Hale Road, Pitt Meadows	Lot 22, Sec 27 & 34, Township 9, NWD Plan 4380. PID: 011-092-394	Oct-18	20.62	A-1	Yes	\$2,045,300	\$99,190	Generally rectangular shaped lot on the east side of Hale Road, north of Old Dewdney Trunk Road. At the time of the sale the property was vacant.
3	Lot 21, 13500 Block Hale Road, Pitt Meadows	PI NWP4360 Lt 21 LD 36 Sec 27 Twp 9 & Sec 34. PID: 002-418-568	Expired Listing Apr-18	17.65	A-1	Yes	\$1,998,000	\$113,201	Irregular shaped lot on the east side of Hale Road, north of Old Dewdney Trunk Road. At the time of the sale the property was fully planted with blueberry trees.
4	13741 Sharpe Road, Pitt Meadows	Lot 7, Section 35, Township 9, NWD Plan 26945, Except: Part in Plan EPP81606. PID: 008-958-645	Oct-18	12.04	A-1	Yes	\$1,500,000	\$124,585	Generally rectangular shaped lot on the west side of Sharpe Road, north of Old Dewdney Trunk Road. At the time of the sale the property was vacant and utilized for hay production.
5	17987 Ford Road, Pitt Meadows	Lot 1, Sections 33 & 34, Block 6 North, NWD Plan 9726, Lots 32 & 33, Sections 28, 29, 32 & 33, Block 6 North, NWD Plan 1933. PIDs: 011-437-375, 012-421-774, 012-421-766	Jan-19	55.48	A-1	Yes	\$6,250,000	\$112,651	Generally rectangular shaped agricultural property comprising three lots situated off Ford Detour Road, just west of Pitt Meadows Airport. At the time of the sale the property was being utilized for blueberry production and was otherwise unimproved.
6	17982 Ford Road, Pitt Meadows	Block 5 Part I NE Part 2 NE Section 4 Range 1E Meridian Land District 36. PID: 013-180-711	Jul-18	10.00	A-1	Yes	\$1,450,000	\$145,000	Generally rectangular shaped agricultural property comprising three lots situated off Ford Detour Road, just west of Pitt Meadows Airport. At the time of the sale the entire property was being utilized for blueberry production and was otherwise unimproved.
7	17714 Kennedy Road, Pitt Meadows	Lot 3, Except: Part Subdivided by Plan LMP35051; Section 22, Block 6 North, Range 1 East, NWD Plan LMP30494. PID: 023-583-932	May-18	47.44	A-1	Yes	\$4,963,200	\$104,621	Irregular shaped lot situated on the south side of Kennedy Road, west of Loughheed Highway. At the time of the sale the property was fully utilized for blueberry production and included two sheds and a single family house assessed at \$136,800. The property sold for \$5,100,000 and indicating a residual land value of \$4,963,200 after deducting the value of the improvements.
8a	2921 240 Street, Langley	Parcel A, Lot 1 Plan NWP23066 Section 21 Township 10 Land District 36 (Expl P1,34495) & Lot 2. PID: 009-314-296	*Offer Apr-19	20.02	RU-3	Yes	\$2,133,700	\$106,578	Generally rectangular shaped lot on the west side of 240 Street, south of 32 Avenue. The property includes 16 acres of blueberry plantation and a 2,158 sq.ft. single-storey home constructed circa 1958 valued at \$66,300 by BC Assessment. The plantation yields a production of 12,500 lbs/acre. The listing agent reports that an offer to purchase the property at \$2,200,000 was submitted on April 15, 2019. After deducting the value of the house, the offer illustrates a value of \$2,133,700.
8b	2921 240 Street, Langley	Parcel A, Lot 1 Plan NWP23066 Section 21 Township 10 Land District 36 (Expl P1,34495) & Lot 2. PID: 009-314-296	*Listing Apr 2019	20.02	RU-3	Yes	\$2,883,700	\$144,041	The property was listed for sale in April 2019 with an asking price of \$2,950,000. After deducting the value of the house of \$66,300, the asking price illustrates a value of \$2,883,700.
	Minimum		May-18	10.00			\$1,450,000	\$99,190	
	Maximum		Jan-19	55.48			\$6,250,000	\$145,000	

PART I: ESTIMATE OF LAND VALUE (continued)



Comparable Location Map

PART I: ESTIMATE OF LAND VALUE (continued)



Comparable Location Map (continued)

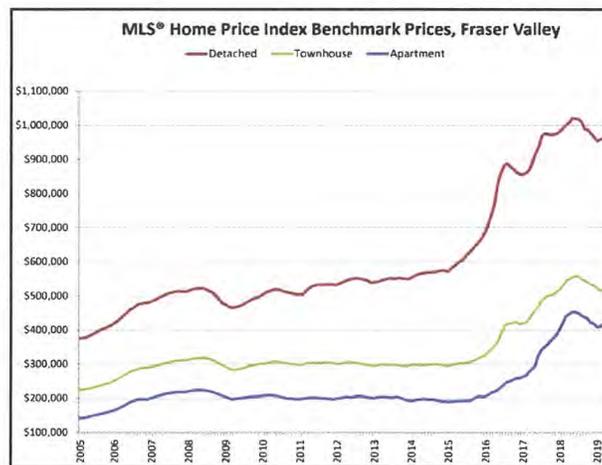
PART I: ESTIMATE OF LAND VALUE (continued)

Site Size

With regard to site size, we note that smaller parcels tend to sell for higher pro rata (ie. \$/acre) prices all else being equal. In the case of agricultural land this trend is especially true for a number of reasons. Firstly, the comparables presented vary considerably in terms of site area and due to Agricultural Land Reserve restrictions, there is little, if any, potential to subdivide sites into smaller parcels. Secondly, there is significant demand for smaller agricultural sites by hobby farmers or purchasers desiring estate properties. Large sites, on the other hand, are typically purchased by commercial farm users and land values are more closely linked to the land's productivity. In this instance, the subject property is 18.770 acres and the comparables analyzed in this section range in size from 10.00 to 55.48 acres. Where necessary we have made adjustments for smaller and larger parcels sizes.

Market Conditions

The comparables included in this analysis date back to May 2018 and, as such, it is necessary to account for the changes in the market since that time. Inquiries to market participants active in the area reveal that agricultural land in Pitt Meadows with similar attributes to the subject and the comparables has depreciated over the past few months after reaching a peak around mid-2018. Market participants indicate that agricultural land in the market area is following a similar trend as the residential market in the Lower Mainland. As such, we have been cognizant of market conditions on our conclusions of value. For visual reference, the inset chart included below obtained from the Fraser Valley Real Estate Board illustrates the home price index benchmark prices for different home types.



PART I: ESTIMATE OF LAND VALUE (continued)

Improvements

The comparables analyzed in this section include minimal or no improvements. Where the comparables are improved with residential dwellings, farm related buildings and/or other outbuildings, the value of the improvements is minimal and has been deducted to indicate the residual value of the land. In this portion of the analysis we have valued the subject as if vacant. Therefore, the contributory value of the comparables' improvements has been excluded.

Location

The subject is located in Pitt Meadows approximately 4 km from its downtown core. The majority of the comparables have similar Pitt Meadows locations, however a number of properties are located in Langley which is considered to be somewhat superior in terms of soil quality but inferior in terms to access to amenities. While difficult to accurately adjust for this factor, we have taken it into account in our final estimate of value.

Land Use Controls

All of the comparables are all located within the ALR, are zoned for agricultural use. And designated agricultural in their respective OCPs. The subject is zoned for agricultural use, located in the ALR and designated Agricultural under Pitt meadow's OCPs. As such, no adjustment is necessary for land use controls.

Comparables One through Three are located within the subject's immediate area along Hale Road and illustrate values ranging from \$100,000 to \$113,790 per acre. Good value evidence for the subject property is provided by **Comparable One (13415 Hale Road, Pitt Meadows)**, which is the most recent sale within this comparable group and similar to the subject, is fully planted with blueberries plants. The comparable is a 20-acre, generally rectangular shaped lot situated adjacent to the south of the subject property. The comparable sold in January 2019 for \$2,400,000 and included a single-storey house constructed circa 1971, valued at \$124,200 by BC Assessment. After deducting the value of the house, the sale indicates a residual land value of \$2,275,800 or \$113,790 per acre. A per acre value within this range is warranted for the subject.



PART I: ESTIMATE OF LAND VALUE (continued)

Comparable Two (Lot 22, 13500 Block Hale Road, Pitt Meadows)

illustrates the October 2018 sale of a 20.62-acre, generally rectangular shaped lot situated across the street from the subject property. At the time of the sale, the comparable property was improved an older 480 sq.ft.



wood-framed house constructed circa 1956 and was otherwise vacant and not planted. The comparable sold in October 2018 and for \$2,062,000 and after deducting the value of the house, estimated at \$16,700 by BC Assessment, the comparable indicates a residual land value of \$2,045,300 or \$99,190 per acre.

Interviews with land agents active in the area reveal that agricultural land planted with blueberries typically achieve higher values than land that is not planted. The premium typically ranges from \$5,000 to \$20,000 per acre, depending on the condition and quality of the plantation. Considering that the subject includes a blueberry plantation, a value above \$99,190 per acre is warranted.

Comparable Three (Lot 21, 13500 Block Hale Road, Pitt Meadows)

illustrates a listing for a 17.65-acre, irregular shaped blueberry plantation situated across the street from the subject property. The comparable property does not include any improvements other than the blueberry plants. The comparable was listed for sale in April 2018 at



\$113,201 per acre. The comparable did not sell and the listing expired in October 2018. An upward adjustment for the comparable's inferior lot configuration is more than offset by a greater downward adjustment for the listing status and the current market conditions. After adjustments are made, a lower per acre value is warranted for the subject property.

PART I: ESTIMATE OF LAND VALUE (continued)

Comparable Four (13741 Sharpe Road, Pitt Meadows) illustrates the October 2018 sale of a 12.04-acre, generally rectangular shaped lot situated a short distance to the east of the subject property, on the west side of Sharpe Road, north of Old Dewdney Trunk Road. At the time of the sale the property was fully utilized for hay production and was otherwise vacant. The comparable sold for \$124,585 per acre. After a downward adjustment for the comparable's smaller parcel size and for the current market conditions, a lower per acre value is warranted for the subject property.



Comparable Five and Six are generally rectangular shaped blueberry plantations situated a short distance to the south of the subject property, adjacent to the west side of Ford Detour Road, just west of Pitt Meadows Airport. At the time of their sales, the comparables were fully utilized for blueberry production and were otherwise vacant. **Comparable Five (17987 Ford Road, Pitt Meadows)** comprises three legal lots with an aggregate site area of 55.48 acres. The comparable sold in January 2019 for \$6,250,000 or \$112,651 per acre. Since the comparable includes three legally separate lots ranging in size from 7.31 to 38.17 acres no size adjustment is required. A similar per acre value is warranted for the subject property.



PART I: ESTIMATE OF LAND VALUE (continued)

Comparable Six (17982 Ford Road, Pitt Meadows) is located adjacent to the south of comparable Five and has a parcel size of 10.00 acres. The comparable sold during the peak of the market in Jul-18 at \$1,450,000 or \$145,000 per acre. After a downward adjustment for the subject's larger parcel size and for the current market conditions, a lower per acre value is warranted for the subject property.



Comparable Seven (17714 Kennedy Road, Pitt Meadows) is a 47.44-acre irregular shaped lot situated a short distance to the south of the subject property, on the south side of Kennedy Road, west of Lougheed Highway. At the time of the sale the comparable property was fully



utilized for blueberry production and included two sheds and a single family house assessed at \$136,800. The comparable sold in May 2018 for \$5,100,000. After deducting the value of the improvements, the comparable sale indicates a residual land value of \$4,963,200 or \$104,621 per acre. After an upward adjustment for the subject's smaller parcel size, a higher per acre value is warranted for the subject.

PART I: ESTIMATE OF LAND VALUE (continued)

Comparable Eight (2921 240 Street, Langley) is a generally rectangular shaped lot situated on the west side of 240 Street, south of 32 Avenue. The comparable property



includes 16 acres of blueberry plantation and a 2,158 sq.ft. single-storey home constructed circa 1958 valued at \$66,300 by BC Assessment. The comparable plantation yields a production of 12,500 lbs/acre. The listing agent reports that an offer to purchase the property at \$2,200,000 was submitted on April 15, 2019. After deducting the value of the house, the offer illustrates a residual land value of \$2,133,700 or \$104,621 based on the comparable's parcel size of 20.02 acres. We note that this value represents an initial offer submitted by a potential purchaser and the vendor had not yet agreed to it as of the effective date of valuation. The asking price is higher.

The comparable property was listed for sale in April 2019 with an asking price of \$2,950,000. After deducting the contributory value of the house, the asking price illustrates a value of \$2,883,700 or \$144,041 per acre. Given the comparable's similar use and size, a value between the range indicated by this comparable (i.e. \$106,578 - \$144,041 per acre) is warranted for the subject property.

PART I: ESTIMATE OF LAND VALUE (continued)

SUMMARY

In estimating the market value of the subject property as though vacant, we have analyzed the preceding comparables with consideration to the following items.

- The subject property comprises a site area of 18.77 acres;
- Rectangular shaped lot configuration;
- Utilized for blueberry production with plants approaching the end of their economic life.

The comparables analyzed in this section indicate land values ranging from \$99,190 to \$145,000 per acre for agricultural properties ranging in size from 10.00 to 55.48 acres. The best evidence of value is provided by Comparables 1, 3, 5, 7 and 8a at between \$104,621 and \$113,790 per acre. Based on the preceding analysis of comparable data, it is our opinion that a value towards the midpoint of the refined range is reflective of market for the subject property. Accordingly, we concluded at a value at **\$110,000 per acre**.

On this basis, the vacant land value of the subject property as of April 22, 2019 would therefore be estimated as follows:

Estimate of Vacant Land Value				
Property	Size	x	Rate per Acre	= Total Value
13549 Hale Road	18.77	x	\$110,000	= \$2,064,697
Rounded to:				\$2,060,000

PART II: DEPRECIATED REPLACEMENT COST OF THE IMPROVEMENTS

The next step in this analysis is to estimate the depreciated replacement cost of the improvements described previously in this report. We will first estimate the replacement cost of the improvement and then make an adjustment for depreciation at the end of this analysis.

Estimate of Replacement Cost New

To estimate the replacement cost new of the improvements we have relied upon costing software provided by Marshall & Swift. This is an internationally recognized cost estimating program and is considered to be an accurate reflect of current construction costs. On the following pages we have included the Marshall & Swift construction cost printouts for the subject improvements, which were previously detailed in the Description of the Improvements section.

PART II: ESTIMATE OF DEPRECIATED REPLACEMENT COST (continued)

Estimated Replacement Cost New for the subject's Single Family Dwelling (main building)

4/17/2019	CoreLogic ResidentialEstimator - Report		
CoreLogic - SwiftEstimator			
Residential Estimator - Standard Report			
Estimate ID	201904-10505 - 6500 sf house		
Property Owner			
Address	13549 Hale Road		
City	Pitt Meadows		
State/Province	BC		
ZIP/Postal Code	V3Y1Z1		
Surveyed By			
Survey Date			
Appraisal For	FTI Consulting		
Single-family Residence	Floor Area	6500 Square Feet	
Effective Age	Quality	4.5 Good / Very Good	
Cost as of	Condition	4 Good	
Style	Two Story		
Exterior Wall	Frame, Hardboard Sheets 100%		
Plumbing Fixtures	14		
Cost Data			
Description	Units	Unit Cost	Total
Base Cost	6,500	\$89.58	\$582,270
Plumbing Fixtures	14	\$3,440.00	\$48,160
Wood Shake	6,500	\$3.76	\$24,440
Raised Subfloor	6,500	\$17.82	\$115,830
Floor Cover Allowance	6,500	\$12.18	\$79,170
Forced Air Furnace	6,500	\$6.06	\$39,390
Plumbing Rough-ins	1	\$1,030.40	\$1,030
Appliance Allowance	1	\$8,512.00	\$8,512
Basic Structure Total Cost	6,500	\$138.28	\$898,802
Replacement Cost New	6,500	\$138.28	\$898,802
Total Depreciated Cost			\$898,802
Total			\$898,802
Cost data by CoreLogic, Inc.			
<p>***Except for items and costs listed under "Addition Details," this SwiftEstimator report has been produced utilizing current cost data and is in compliance with the Marshall & Swift Licensed User Certificate. This report authenticates the user as a current Marshall & Swift user.***</p>			
			

PART II: ESTIMATE OF DEPRECIATED REPLACEMENT COST (continued)

Estimated Replacement Cost New for the subject's Accessory Dwelling

4/17/2019 CoreLogic | ResidentialEstimator - Report

**CoreLogic - SwiftEstimator
 Residential Estimator - Standard Report**

Estimate ID	201904-10505 - 2800 sf house_v2		
Property Owner			
Address	13549 Hale Road		
City	Pitt Meadows		
State/Province	BC		
ZIP/Postal Code	V3Y1Z1		
Surveyed By			
Survey Date			
Appraisal For	FTI Consulting		
Single-family Residence	Floor Area	2800 Square Feet	
Effective Age	Quality	3 Average	
Cost as of	Condition	3 Average	
Style	Two Story		
Exterior Wall	Frame, Hardboard Sheets 100%		
Plumbing Fixtures	8		

Cost Data

Description	Units	Unit Cost	Total
Base Cost	2,800	\$83.24	\$233,072
Plumbing Fixtures	8	\$1,881.60	\$15,053
Comp. Shingle or Built-up Rock	2,800	\$1.68	\$4,704
Raised Subfloor	2,800	\$11.78	\$32,984
Floor Cover Allowance	2,800	\$5.44	\$15,232
Forced Air Furnace	2,800	\$5.08	\$14,224
Plumbing Rough-ins	1	\$761.60	\$762
Appliance Allowance	1	\$4,256.00	\$4,256
Basic Structure Total Cost	2,800	\$114.39	\$320,287
Replacement Cost New	2,800	\$114.39	\$320,287
Total Depreciated Cost			\$320,287
Total			\$320,287

Cost data by CoreLogic, Inc.

Except for items and costs listed under "Addition Details," this SwiftEstimator report has been produced utilizing current cost data and is in compliance with the Marshall & Swift Licensed User Certificate. This report authenticates the user as a current Marshall & Swift user.



PART II: ESTIMATE OF DEPRECIATED REPLACEMENT COST (continued)

The total replacement cost new of the improvements would therefore be calculated as follows:

Building	Replacement Cost New
6,500 sq.ft. Single Family Dwelling	\$898,802
2,800 sq.ft. Accessory Single Family Dwelling	<u>\$320,287</u>
Total Value for Improvements at 13549 Hale Road	\$1,219,089

Estimate of Depreciation

On the following chart we include our estimate of depreciation for the subject improvement. The analysis is based on our estimate of the effective age for the improvements and have utilized an economic life of 55 years.

Building	Replacement Cost New	Date Constructed	Actual Age (yrs.)	Effective Age (yrs.)	Economic Life (yrs.)	% Depreciation	Depreciated Value
6,500 sq.ft. Single Family Dwelling	\$898,802	1994	25	15	55	27%	\$653,674
2,800 sq.ft. Accessory Single Family Dwelling	<u>\$320,287</u>	1980	39	37	55	67%	<u>\$104,821</u>
Total Value for Improvements	\$1,219,089						\$758,495

PART III: ESTIMATE OF MARKET VALUE

Estimate of Market Value by the Cost Approach

Based on the preceding analysis, we are of the opinion that the market value for the subject property, as at April 22, 2019 and subject to the assumptions and limiting conditions noted throughout this report would be as follows:

Estimate of Market Value for 13549 Hale Road	
Estimate of Land Value as Though Vacant	\$2,064,697
Estimate of Depreciated Replacement Cost for the Improvements	\$758,495
Estimate of Market Value:	\$2,823,192
Rounded to:	\$2,820,000

PART IV: DIRECT COMPARISON APPROCH

Introduction

In this section, we have estimated the market value of the subject property including the improvements based on the Direct Comparison Approach. On the following pages we included a range of market data from recent sales of improved agricultural properties in Pitt Meadows and comparable locations in Langley.

Given that the subject property is improved with two single family dwellings that contribute significant value to the overall property, in this analysis we have selected a range of agricultural properties that are situated in the ALR and that include similar improvements.

RE: ESTIMATE OF FEE SIMPLE MARKET VALUE
13549 HALE ROAD, PITT MEADOWS, BC

PART IV: DIRECT COMPARISON APPROACH (continued)

Sale No.	Address	Legal Description	Sale Date	Lot Size (Ac.)	Zoning ALR	Selling Price (residual land value)	Selling Price / Acre (residual land value)	Comments
Agricultural properties with significant home improvements.								
A	19485 Richardson Road, Pitt Meadows	Lot 2 PINWP68997 Sec 10 Twp 40 LD 36 PID: 001-175-246	Oct-18	13.70	A-1	Yes \$2,298,000	\$167,774	Generally rectangular shaped lot situated on the north side of Richardson Road, east of Harris Road. The property sold in late October 2018 for \$2,298,000 and was improved with a 2,460 sq.ft. two-storey home that was renovated in 2015. The improvements were valued at \$305,000 by BC Assessment. The property also includes an artificial pond. The balance of the site was utilized for tree farming.
B	13778 Hale Road, Pitt Meadows	PI NWP4360 Lot 20 LD 36 Sec 27 Twp 9, Part SE 1/4, & Sec 34. PID: 011-092-599	Terminated Listing Mar-18	30.78	A-1	Yes \$3,900,000	\$126,706	Irregular shaped lot on the east side of Hale Road, north of Old Dewdney Trunk Road. The agricultural property is improved with 2 two-storey detached houses constructed circa 1981 comprising an aggregate floor area of 5,900 sq.ft. and valued by BC Assessment at \$246,300. The houses appear to be in good condition and feature good quality finish. The balance of the property was utilized for blueberry production. The property was listed for sale in March 2018 at \$3,900,000.
C	1854 208 Street, Langley	Lot 3, Sec 13, Twp 7, NWD, PINWP39667. PID: 008-653-798	Nov-18	19.65	RU-1	Yes \$2,900,000	\$147,583	Generally rectangular shaped lot on the east side of 208 Street, south of 20 Avenue. At the time of the sale the property was improved with a 1,189 sq.ft. single-storey detached house constructed circa 1937 and several farm related buildings, valued at \$133,800 by BC Assessment.
D	699 261 Street, Langley	PI NWP55705 Lot 21 LD 36 Sec 1 Twp 10, Part NE 1/4 PID: 005-392-969	Oct-18	20.00	RU-2	Yes \$3,300,000	\$165,000	Generally rectangular shaped lot at the north end of 261 Street, north of 6 Avenue. The property is improved with a 4,057 sq.ft. two-storey home constructed circa 2010 and a secondary 1,386 sq.ft. home. Other property improvements include equine training/boarding facilities and a conference room. The main house includes good quality finishes. Overall, the improvements are valued at \$611,900 by BC Assessment.
Minimum							\$126,706	
Maximum							\$3,900,000	\$167,774

PART IV: DIRECT COMPARISON APPROACH (continued)



PART IV: DIRECT COMPARISON APPROACH (continued)

The improved agricultural land comparables (**Comparables A - D**) illustrate values ranging from \$2,298,000 to \$3,900,000 for properties ranging in size from 13.70 to 30.78 acres. When analyzed on a pro rata basis, the comparables illustrate values ranging from \$126,706 to \$167,774 per acre. The comparables sold recently between October and November 2018, albeit during a slightly superior market.

The high end of the range is illustrated by the sale of **Comparable A (19485 Richardson Road, Pitt Meadows)**, a 13.70-acre parcel situated a short distance to the north of the subject property. The comparable comprises a generally rectangular shaped lot situated on the north side of Richardson Road, east of Harris Road. At the time of the sale, the comparable property was improved with a 2,460 sq.ft. two-storey home that was renovated in 2015. The improvements were valued at the time of the sale at \$305,000 by BC Assessment. The property includes an artificial pond and the balance of the property was utilized for tree farming. The comparable property sold for \$2,298,000, illustrating a value of \$167,774 per acre. A lower per acre value is suggested for the subject property considering the subject's larger parcel size.



Comparable B (13778 Hale Road, Pitt Meadows) is a 30.78-acre irregular shaped lot situated within the subject's immediate area, on the east side of Hale Road. The comparable property is improved with 2 two-storey detached houses constructed circa 1981. The houses comprise an aggregate floor area of 5,900 sq.ft. and were valued by BC Assessment at \$246,300 at the time of the sale. The houses appear to be in good condition and feature good quality finish. The balance of the property was utilized for blueberry production. The property was listed for sale in March 2018 at \$3,900,000 or \$126,706 per acre. The property did not sell and the listing was terminated in mid-2018.



PART IV: DIRECT COMPARISON APPROACH (continued)

Compared to the subject property, the comparable's improvements are older and include a smaller floor area. After upward adjustments for the comparable's larger parcel size, irregular parcel configuration and inferior improvements, a higher per acre value is warranted for the subject property.

Comparable C (1854 208 Street, Langley)

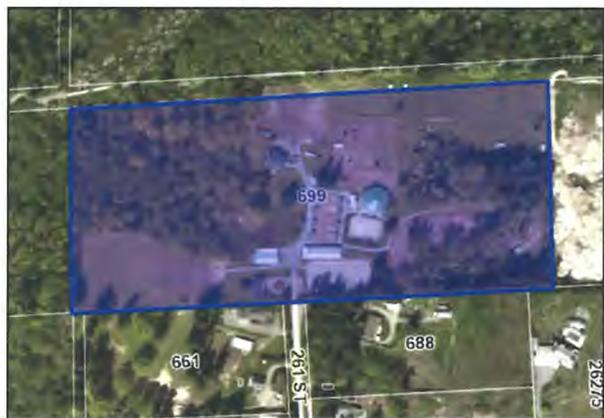
illustrates the sale of a 19.65-acre, generally rectangular shaped lot situated on the east side of 208 Street, south of 20 Avenue. At the time of the sale the property was improved with a 1,189 sq.ft. single-storey detached house constructed circa 1937 and



several farm related buildings. The improvements are valued at \$133,800 by BC Assessment. The comparable sold for \$2,900,000, equating to \$147,583 per acre. The comparable's improvements are inferior relative to the subject's, although an upward adjustment for the subject's quality of improvements is negated by a downward adjustment for the current market conditions. On balance, a per acre value around that indicated by this comparable is warranted for the subject.

Comparable D (699 261 Street, Langley) is

a 20.00-acre, generally rectangular shaped lot situated at the north end of 261 Street, north of 6 Avenue. The property is improved with a 4,057 sq.ft. two-storey home constructed circa 2010, a 1,386 sq.ft. secondary home, equine training/boarding facilities and a conference room. The main house includes good quality finishes. Overall, the improvements are



valued at \$611,900 by BC Assessment. The property sold for \$3,300,000, equating to \$165,000 per acre. A lower per acre value is warranted for the subject given the current market conditions.

PART IV: DIRECT COMPARISON APPROACH (continued)

SUMMARY

In estimating the market value of the subject property including the improvements, we have analyzed the preceding comparables with consideration to the following items:

- the subject property comprises a site area of 18.77 acres;
- rectangular shaped lot configuration;
- the property includes a good quality 6,500 sq.ft. two-storey house constructed circa 1994 and a 2,800 sq.ft. average quality accessory detached house constructed circa 1980;
- the improvements appear to be in good condition; and
- the balance of the site is utilized for blueberry production with plants approaching the end of their economic lives.

The comparables analyzed in this section indicate values from \$126,706 to \$167,774 per acre for improved agricultural properties ranging from 13.70 to 30.78 acres. The best evidence of value is provided by Comparable C at \$147,583 per acre. Similar to the subject property, Comparables A and D included significant improvements, although required downward adjustments for market conditions and lot size. Comparable B, although a listing only at \$126,706 per acre, suggests that a higher pro rata value would be appropriate for the subject given the comparable's larger parcel size and inferior lot configuration.

Based on the preceding analysis of comparable data and after considering the items noted above, it is our opinion that a value at **\$150,000 per acre** is reflective of market for the subject property utilizing the standard sale conditions described in this report. On this basis, the market value of the subject property as of April 22, 2019 under the Direct Comparison Approach is calculated as follows:

Estimate of Market Value by the Direct Comparison Approach				
Property	Size	x	Rate per Acre	= Total Value
13549 Hale Road	18.77	x	\$150,000	= \$2,815,496
Rounded to:				\$2,820,000

PART V: FORCED SALE VALUE

As part of our analysis we have been asked to consider the “Forced Sale Value” of the subject property. The Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) defines Forced Sale Value as:

“A term synonymous with “liquidation value”, “distress sale” or “power of sale” implying a reduced selling period and a compulsion to sell real property. Forced sale value is not a concept separate from market value but is a form of marketing conditions less favourable to the seller than those set out in the definition of market value.”

When considering this question, we have made the following assumptions about the “Forced Sale”:

- 1) The property would have a shorter exposure time of 1 – 3 months versus the 6 – 12 months typical for agricultural properties
- 2) Any offers would have to be free of conditions (ie. financing, inspection etc.
- 3) Any offers would have to have a short closing period (1 – 2 months)

As previously described, current market conditions for residential and agricultural properties are currently weak with fewer the average monthly sales and generally declining sale prices. In our opinion a shortened exposure time would have a negative impact on the subject’s market value as there are relatively few active purchasers in the marketplace.

On the chart on the following page we include the months on the market for each of the comparable properties (where the information is available). As can be noted the majority of the comparables required a considerable exposure time prior to sale.

PART V: FORCED SALE VALUE (continued)

Comparable No.	Address	Legal Description	List Date	Sale Date	Months on the Market
5	17982 Ford Road, Pitt Meadows	Block 5 Part1 NE Part 2 NE Section 4 Range 1E Meridian Land District 36. PID: 013-180-711	Jun-17	Jul-18	13
7	17714 Kennedy Road, Pitt Meadows	Lot 3, Except: Part Subdivided by Plan LMP35051; Section 22, Block 6 North, Range 1 East, NWD Plan LMP30494. PID: 023- 583-932	Jun-17	May-18	11
3	Lot 21, 13500 Block Hale Road, Pitt Meadows	PI NWP4360 Lt 21 LD 36 Sec 27 Twp 9. & Sec 34. PID: 002-418-568	Dec-17	Expired on Oct-18	10
D	699 261 Street, Langley	PI NWP55705 Lot 21 LD 36 Sec 1 Twp 10. Part NE 1/4. PID: 005-392-969	Feb-18	Oct-18	7
B	13778 Hale Road, Pitt Meadows	PI NWP4360 Lot 20 LD 36 Sec 27 Twp 9. Part SE 1/4, & Sec 34. PID: 011-092-599	Mar-18	Terminated Listing Mar-18	3
A	19485 Richardson Road, Pitt Meadows	Lot 2 PI NWP68997 Sec 10 Twp 40 LD 36 PID: 001-175-246	Aug-18	Oct-18	2
8	2921 240 Street, Langley	Parcel A Lot 1 Plan NWP23066 Section 21 Township 10 Land District 36 (Expl PI 34495) & Lot 2. PID: 009-314-296	Apr-19	*Offer Apr-19	1

Furthermore, the limitation on sale conditions, especially for financing would further restrict the number of potential purchasers.

While the market evidence for properties such as the subject that are impacted by forced sale conditions is relatively limited. We are of the opinion that a reduction in the values estimated previously in this report of 10 - 15% would be appropriate.

Taking the above into account, we have estimated a Force Sale Value of **\$2,500,000** for the subject property.

RECONCILIATION

Cost Approach (Standard Market Conditions):	\$2,820,000
Direct Comparison Approach (Standard Market Conditions):	\$2,820,000
Forced Sale Value:	\$2,500,000

THE COST APPROACH

The Cost Approach is considered most reliable in valuing special use properties or those on which the improvements are new or near new. In this case however, the subject property is somewhat unique given agricultural use nature and the significant value of the improvements. Accordingly, the Cost Approach provides a reliable indication of value. This approach includes an estimate of vacant land value under and an estimate of the depreciated cost new of the improvements.

INCOME APPROACH

Given the nature of the subject property and the limited availability of appropriate capitalization rate and lease rate information, this approach was not included in our analysis.

DIRECT COMPARISON APPROACH

The Direct Comparison Approach was used to provide estimates of market value for the subject's land value and the subject's market value including improvements. The volume of recent sales of similar properties is sufficient to derive a values under this approach. In this analysis we have utilized this approach as a test on the value estimated by the Cost Approach.

FINAL ESTIMATE OF VALUE

After consideration of all factors pertinent to value and further based on our knowledge of the market generally, it is our opinion that the market value of the fee simple interest in the subject property is best indicated by the Cost Approach and is supported by the Direct Comparison Approach. Therefore, the market value of the fee simple interest in the subject property, subject to the assumptions and limiting conditions herein, as of April 22, 2019, would be:

MARKET VALUE CONCLUSION	
Appraisal Premise	
Estimate of Market Value (Forced Sale Conditions):	\$2,500,000
Estimate of Market Value (Standard Sale Conditions):	\$2,820,000

CERTIFICATION

May 2, 2019

Re: 13549 HALE ROAD, PITT MEADOWS, BC

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

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

CO-SIGNING AIC APPRAISER'S CERTIFICATION

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

CERTIFICATION (continued)

Property Identification

Address

13549 Hale Road, Pitt Meadows, BC

Legal Description

Lot 6, Section 27, Township 9, New Westminster District Plan 3710

BASED UPON THE DATA, ANALYSES AND CONCLUSIONS CONTAINED HEREIN, THE MARKET VALUE OF THE INTEREST IN THE PROPERTY DESCRIBED, AS AT APRIL 22, 2019 IS AS FOLLOWS:

MARKET VALUE CONCLUSION	
Appraisal Premise	
Estimate of Market Value (Forced Sale Conditions):	\$2,500,000
Estimate of Market Value (Standard Sale Conditions):	\$2,820,000

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

Garnett Wilson Realty Advisors Ltd.



Per: Adrian Zaldivar, B.Comm
(AIC Candidate)
Membership #: 906925
Signed: May 2, 2019



Neil Hahn, AACI, P.App.
B.Comm,
Membership #: 904216
Signed: May 2, 2019

Adrian Zaldivar (AIC Candidate) personally inspected the subject property from the curbside on April 22, 2019.

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

ASSUMPTIONS AND LIMITING CONDITIONS

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

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

ASSUMPTIONS AND LIMITING CONDITIONS (continued)

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

ASSUMPTIONS AND LIMITING CONDITIONS (continued)

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

ASSUMPTIONS AND LIMITING CONDITIONS (continued)

16. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.

17. Where the intended use of this report is for financing or mortgage lending, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.

18. Where the intended use of this report is for mortgage insurance, it is a condition of reliance on this report that the authorized user will conduct loan insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent mortgage insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, to conduct such loan insurance underwriting and/ due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Insurance Underwriting Practices and Procedures B-21, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.

19. The author has no knowledge of the existence of any aboriginal land claim or any claim to aboriginal title and the author has not undertaken investigations into the possibility of any such claims. As such, for the purposes of this report, we assume none exist.

Appendix "A"

Copy of the Title and Charge Information

TITLE SEARCH PRINT

2019-04-16, 11:56:42

File Reference:

Requestor: Brett Garnett

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

Land Title District

Land Title Office

NEW WESTMINSTER

NEW WESTMINSTER

Title Number

From Title Number

BX473431

Z48986E

Application Received

2005-08-17

Application Entered

2005-08-23

Registered Owner in Fee Simple

Registered Owner/Mailing Address:

PUREWAL BLUEBERRY FARMS LTD., INC.NO. 726034
13753 HALE ROAD
PITT MEADOWS, BC
V3Y 1Z1

Taxation Authority

Pitt Meadows, City of

Description of Land

Parcel Identifier:

004-654-161

Legal Description:

LOT 6 SECTION 27 TOWNSHIP 9 NEW WESTMINSTER DISTRICT
PLAN 3710

Legal Notations

THIS CERTIFICATE OF TITLE MAY BE AFFECTED BY THE
AGRICULTURAL LAND COMMISSION ACT; SEE AGRICULTURAL
LAND RESERVE PLAN NO. 14, DEPOSITED JULY 30, 1974

Charges, Liens and Interests

Nature:

COVENANT

Registration Number:

BH311090

Registration Date and Time:

1994-08-23 12:15

Registered Owner:

DISTRICT OF PITT MEADOWS

Remarks:

L.T.A. SECTION 215

Nature:

COVENANT

Registration Number:

BH316982

Registration Date and Time:

1994-08-29 10:16

Registered Owner:

DISTRICT OF PITT MEADOWS

Remarks:

L.T.A. SECTION 215

TITLE SEARCH PRINT

2019-04-16, 11:56:42
Requestor: Brett Garnett

File Reference:

Nature: EASEMENT
Registration Number: BM73664
Registration Date and Time: 1998-03-10 14:47
Remarks: PART PLAN LMP37297
APPURTENANT TO LOT A PLAN 7231

Nature: MORTGAGE
Registration Number: CA3019222
Registration Date and Time: 2013-03-05 12:16
Registered Owner: BLUEBERRY HOLDINGS (GP) LTD.
INCORPORATION NO. BC1067532
Transfer Number: CA5085982
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS
Registration Number: CA3019223
Registration Date and Time: 2013-03-05 12:16
Registered Owner: BLUEBERRY HOLDINGS (GP) LTD.
INCORPORATION NO. BC1067532
Transfer Number: CA5085983
Remarks: INTER ALIA

Nature: MORTGAGE
Registration Number: CA3427562
Registration Date and Time: 2013-10-29 12:18
Registered Owner: HARJINDER SINGH BERAR
KARMJIT KAUR BERAR
AS TO AN UNDIVIDED 1/10 INTEREST AS JOINT TENANTS
BERAR FARMS LTD.
INCORPORATION NO. 0979883
AS TO AN UNDIVIDED 9/10 INTEREST
Remarks: INTER ALIA

Nature: JUDGMENT
Registration Number: CA4091946
Registration Date and Time: 2014-11-20 16:17
Registered Owner: BUNZL CANADA INC.
INCORPORATION NO. A92249
Remarks: RENEWED BY CA5644097

Nature: JUDGMENT
Registration Number: CA5405402
Registration Date and Time: 2016-08-05 16:28
Registered Owner: B.C. BLUEBERRY COUNCIL

TITLE SEARCH PRINT

2019-04-16, 11:56:42
Requestor: Brett Garnett

File Reference:

Nature: JUDGMENT
Registration Number: CA5412733
Registration Date and Time: 2016-08-10 10:57
Registered Owner: B.C. BLUEBERRY COUNCIL

Nature: JUDGMENT
Registration Number: CA5644097
Registration Date and Time: 2016-11-14 09:52
Registered Owner: BUNZL CANADA INC.
INCORPORATION NO. A0092249
Remarks: RENEWAL OF CA4091946

Nature: JUDGMENT
Registration Number: CA5987656
Registration Date and Time: 2017-05-11 10:31
Registered Owner: HER MAJESTY THE QUEEN IN RIGHT OF CANADA
Remarks: INTER ALIA

Nature: JUDGMENT
Registration Number: CA6279313
Registration Date and Time: 2017-09-06 13:19
Registered Owner: NU-GRO LTD.

Nature: JUDGMENT
Registration Number: CA6307689
Registration Date and Time: 2017-09-19 10:24
Registered Owner: 4REFUEL GP CORPORATION
INCORPORATION NO. A80600
Remarks: INTER ALIA

Nature: CERTIFICATE OF PENDING LITIGATION
Registration Number: CA6326407
Registration Date and Time: 2017-09-27 11:10
Registered Owner: BLUEBERRY HOLDINGS (GP) LTD.
Remarks: INTER ALIA

Nature: JUDGMENT
Registration Number: CA6412293
Registration Date and Time: 2017-10-31 13:25
Registered Owner: SUPER SAVE DISPOSAL INC.
INCORPORATION NO. BC0508268
Remarks: INTER ALIA

TITLE SEARCH PRINT

2019-04-16, 11:56:42
Requestor: Brett Garnett

File Reference:

Nature: JUDGMENT
Registration Number: CA6560200
Registration Date and Time: 2018-01-11 10:48
Registered Owner: DIRECTOR OF EMPLOYMENT STANDARDS
Remarks: INTER ALIA

Nature: JUDGMENT
Registration Number: CA6612736
Registration Date and Time: 2018-02-06 11:27
Registered Owner: KINDER SIDHU & ASSOCIATES INC.
INCORPORATION NO. BC0813442
Remarks: INTER ALIA

Nature: CERTIFICATE OF PENDING LITIGATION
Registration Number: CA6659131
Registration Date and Time: 2018-03-02 12:00
Registered Owner: FRASER VALLEY PACKERS INC.
INCORPORATION NO. BC0682962
Remarks: INTER ALIA

Nature: JUDGMENT
Registration Number: CA6718015
Registration Date and Time: 2018-04-05 12:19
Registered Owner: FRASER VALLEY PACKERS INC.
INCORPORATION NO. BC0682962
Remarks: INTER ALIA

Nature: JUDGMENT
Registration Number: CA6733563
Registration Date and Time: 2018-04-12 15:36
Registered Owner: HER MAJESTY THE QUEEN IN RIGHT OF CANADA
Remarks: INTER ALIA

Nature: CERTIFICATE OF PENDING LITIGATION
Registration Number: CA6791617
Registration Date and Time: 2018-05-10 12:53
Registered Owner: JOGINDER SINGH GHAG
JOGINDER KAUR GHAG
Remarks: INTER ALIA

Nature: TAX SALE NOTICE
Registration Number: CA7096656
Registration Date and Time: 2018-09-28 12:52

Duplicate Indefeasible Title NONE OUTSTANDING

TITLE SEARCH PRINT

File Reference:

2019-04-16, 11:56:42
Requestor: Brett Garnett

Transfers

NONE

Pending Applications

Parcel Identifier:

004-654-161

Application Number/Type:

CA7404205 JUDGMENT

94 AUG 23 12 151

BH311090

LAND TITLE ACT
FORM C
(Section 219.81)
Province of
British Columbia

LAND TITLE OFFICE
NEW WESTMINSTER/
VANCOUVER

GENERAL INSTRUMENT - PART 1 (This area for Land Title Office use)

Page 1 of 5 Pages

1. **APPLICATION:** (Name, address, phone number and signature of applicant, applicant's solicitor or agent)
The District of Pitt Meadows, 12007 Harris Road,
Pitt Meadows, British Columbia, V3Y 2B5.
465-5454

S. Clark

2489862

2. **PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:***
(PID) (Legal Description)

004 - 654 - 161

Lot 6, Section 27, Township 9, New Westminster District, Plan 3710

3. **NATURE OF INTEREST:***

Description	Document Reference (page and paragraph)	Person Entitled to Interest
Sec. 215 Covenant	Entire Instrument Pages 1 - 5	Transferee

4. **TERMS:** Part 2 of this instrument consists of (select one only)

- (a) File Standard Charge Terms D.F. No.
 - (b) Express Charge Terms Annexed as part 2
 - (c) Release There is no Part 2 of this instrument
- A selection of (a) includes any additional or modified terms referred to in item 7 or in a schedule annexed to this instrument.
If (c) is selected, the charge described in Item 3 is released or discharged as a charge on the land described in item 2.

UB/23/94 B9156a CHARGE 58.00

5. **TRANSFEROR(S):***

Purewal Blueberry Farms Ltd. (Incorporation No. 246281), with an office at #202 - 12165 Harris Road,
Pitt Meadows, British Columbia, V3Y 2E6.

6. **TRANSFeree(S):** (including occupation(s), postal address(es) and postal code(s)*)

THE CORPORATION OF THE DISTRICT OF PITT MEADOWS,
12007 Harris Road, Pitt Meadows, B.C. V3Y 2B5

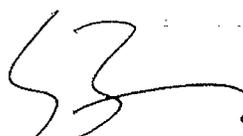
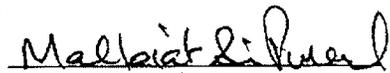
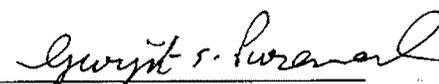
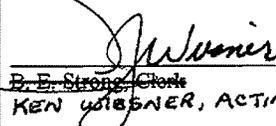
7. **ADDITIONAL OR MODIFIED TERMS:***

NONE

ALOUETTE SEARCH
SERVICES LTD.

**LAND TITLE ACT
FORM C
EXECUTION (Continued)**

8. EXECUTION(S):**This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)	EXECUTION DATE			Party(ies) Signature
	Y	M	D	
 (As To All Signatures) E. JOHN BECKER BARRISTER & SOLICITOR #202 - 12166 Harris Road Pitt Meadows, B.C. V3Y 2E9 Ph 465-9993 Fax: 465-0068	94	8	8	PUREWAL BLUEBERRY FARMS LTD., by its Authorized Signatories:  Mal Singh Purewal  Gurjit Singh Purewal  Charan Singh Purewal
 (As To Both Signatures) ROBERT W. MEIGHEN Barrister & Solicitor 20691 LOUGHEED HWY. MAPLE RIDGE, B.C. V2X 2P8 Tel: 465-4846 Fax: 465-6679	94	8	19	THE CORPORATION OF THE DISTRICT OF PITT MEADOWS  D.R. Duncan, Mayor  R. E. Strong, Clerk KEN WOBBER, ACTING CLERK

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. 1979, c.116, 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.

* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

**If space insufficient, continue executions on additional page(s) in Form D.

TERMS OF INSTRUMENT - PART 2

COVENANT

(Section 215, Land Title Act)

THIS AGREEMENT made the 19 day of August, 1994

BETWEEN:

THE CORPORATION OF THE DISTRICT OF PITT MEADOWS, a municipal body corporate under the *Municipal Act* having its municipal office at 12007 Harris Road, in the District of Pitt Meadows, British Columbia, V3Y 2B5

(the "Covenantee")

OF THE FIRST PART

AND:

Purewal Blueberry Farms Ltd., of 202 - 12165 Harris Road, in the Municipality of Pitt Meadows, British Columbia, V3Y 2E6

(the "Covenantor")

OF THE SECOND PART

WHEREAS:

A. The Covenantor is the registered owner in fee simple of the lands and premises situate in the District of Pitt Meadows and more particularly known and described as:

PID No. 004 - 654 - 161

Lot 6, Section 27, Township 9, New Westminster District, Plan 3710.

(the "Lands");

B. Section 215 of the *Land Title Act*, R.S.B.C. 1979, c.219 (the "*Land Title Act*") provides, inter alia, that a covenant, whether of a positive or a negative nature, in respect to the use of land or the use of a building on or to be erected on the land, in favour of a municipality, may be registered as a charge against the title to the land;

C. The Covenantor wishes to grant this Covenant for the purposes of ensuring that a pump and haul contract remains in force at all times to ensure the continuing maintenance and sanitation of the holding tank system the Covenantor is installing on the Lands.

NOW THEREFORE this Covenant witnesses that pursuant to Section 215 of the *Land Title Act*, and in consideration of the premises and the sum of One (\$1.00) Dollar, now paid by the Covenantee to the Covenantor, the receipt and sufficiency of which are hereby acknowledged, the Covenantor covenants and agrees with the District as follows:



1. The Covenantor, shall not build on or use the Lands other than in accordance with this Covenant.
2. The Covenantor, being the registered owner in fee simple of the Lands, grants the Covenant to the Covenantee.
3. The Covenantor agrees that he shall at all times maintain in force and effect in respect of any holding tank (as defined in the District of Pitt Meadows Holding Tank Bylaw) located on the Lands a contract with a pump and haul company to ensure that the holding tank system complies with the holding tank bylaw and that a copy of the current contract is always deposited with the District of Pitt Meadows Clerk. A renewed copy of the contract shall be delivered to the District of Pitt Meadows Clerk prior to the expiration of any particular contract.
4. The Covenantor authorizes officers, employees and servants of the Covenantee to enter on the Lands at any reasonable times to inspect any part of the holding tank system.
5. If the Covenantee becomes aware that the holding tank system is overloaded or that the holding tank has leaked or overflowed and the contractor is contacted and will not perform the work called for in the current contract or the contractor can not be contacted or the contract is terminated without an effective renewal, then the Covenantee may:
 - (a) give the owner or the occupier of the Lands 10 calendar days to comply with the holding tank bylaw; and
 - (b) in the event of a default by the owner or occupier, allow the Director to shut off the water supply to the Lands to the extent that the Holding Tank System is not, in the opinion of the Director, being operated in compliance with this Covenant and the District of Pitt Meadows Holding Tank Bylaw No. 1369; and
 - (c) in the event of a default by the owner or occupier, enter on the property to arrange for pump out and clean up and the cost will be charged to the owner. If the charges remain unpaid on December 31 in any year, they shall be added to and form part of the taxes payable on that land as taxes in arrear and may be collected in like manner as taxes in arrear.
6. Nothing in this Covenant shall affect the Covenantee's rights and powers in the exercise of its statutory functions under statutes, bylaws, resolutions, orders and regulations, all of which may be fully exercised in relation to their Lands as if this Covenant had not been executed and delivered by the Covenantor.

7. The Covenantor shall at its own expense do or cause to be done all acts within its power reasonably necessary to grant priority to this Covenant over all charges and encumbrances which may have been registered against the title to the Lands, except those approved in writing by the Covenantee.
8. The Covenants set forth herein shall charge the Lands pursuant to Section 215 of the *Land Title Act* and shall be covenants the burdens of which shall run with the Lands and bind the Lands and every part thereof and shall attach to and run with the Lands and each and every part to which the Lands may be divided or subdivided whether by subdivision plan, strata plan or otherwise. The Covenants set forth herein shall not terminate if and when a purchaser becomes the owner in fee simple of the Lands and shall charge the whole of the interest to the Purchaser and shall continue to run with the Lands and bind the Lands and all future owners of the Lands or any portion thereof.
9. The parties hereto shall do and cause to be done all things and execute and cause to be executed all documents which may be necessary to give proper effect to the intention of this Covenant.
10. This Covenant and each and every provision hereof shall enure to the benefit of and be binding on the parties hereto and their respective successors and assigns.
11. Every reference to the parties is deemed to include the heirs, executors, administrator, successors, assigns, employees, agents, officers and invitees of the parties.
12. This Covenant shall enure to the benefit of and be binding on the Covenantor notwithstanding any rule of law or equity to the contrary; wherever the singular or masculine is used in this Covenant it shall be construed as meaning the plural, feminine or body corporate or politic where the context so requires; and this Covenant shall be governed and construed in accordance with the laws of the Province of British Columbia.
13. As evidence of their agreement to be bound by the terms of this instrument, the parties hereto have executed the Land Title Office Form C.

END OF DOCUMENT

94 AUG 29 10 161

BH316982

Page 1 of 5

LAND TITLE ACT
FORM C
(Section 219.81)
Province of
British Columbia

LAND TITLE OFFICE
NEW WESTMINSTER
VANCOUVER

GENERAL INSTRUMENT - PART 1 (This area for Land Title Office Use)

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

The District of Pitt Meadows, 12007 Harris Road,
Pitt Meadows, British Columbia, V3Y 2B5.

Jussem Matthews

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:*

(PID) (Legal Description)

004-654-161

248986*

Lot 6, Section 27, Township 9, New Westminster
District, Plan 3710.

3. NATURE OF INTEREST:*

Description	Document Reference	Person Entitled to Interest
Section 215 Covenant (Land Title Act)	(page and paragraph) Entire Document Pages 3 - 6	Transferee
		UB/29/94 B9356e CHARGE 50.00

4. TERMS: Part 2 of this instrument consists of (select one only)

- (a) File Standard Charge Terms D.F. No.
- (b) Express Charge Terms Annexed as part 2
- (c) Release There is no Part 2 of this instrument

A selection of (a) includes any additional or modified terms referred to in item 7 or in a schedule annexed to this instrument.

If (c) is selected, the charge described in Item 3 is released or discharged as a charge on the land described in item 2.

5. TRANSFEROR(S):*

PUREWAL BLUEBERRY FARMS LTD.
#202 - 12165 Harris Road, Pitt Meadows, B.C. V3Y 1Z1

6. TRANSFEREE(S): (including occupation(s), postal address(es) and postal code(s))*

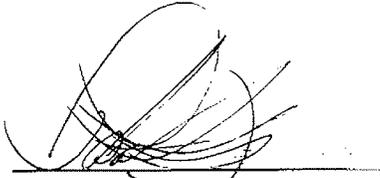
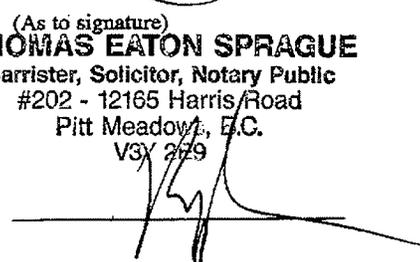
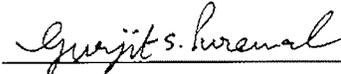
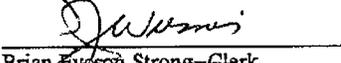
THE CORPORATION OF THE DISTRICT OF PITT MEADOWS
12007 Harris Road, Pitt Meadows, B.C. V3Y 2B5.

7. ADDITIONAL OR MODIFIED TERMS:

NONE

ALOUETTE SEARCH
SERVICES LTD.

8. EXECUTION(S):**This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

<p>Officer Signature(s)</p>  <p>(As to signature) THOMAS EATON SPRAGUE Barrister, Solicitor, Notary Public #202 - 12165 Harris Road Pitt Meadows, B.C. V3Y 2Z9</p>  <p>ROBERT W. MEIGHEN Barrister & Solicitor Ste 201C, 20651 - 56th Ave. Langley, B.C. V3A 3Y9 Tel: 534-6061</p> <p>(As to Both Signatures)</p>	<p>EXECUTION DATE</p> <table border="1" style="border-collapse: collapse; width: 100px;"> <tr> <td style="width: 33px; text-align: center;">Y</td> <td style="width: 33px; text-align: center;">M</td> <td style="width: 33px; text-align: center;">D</td> </tr> <tr> <td style="text-align: center;">94</td> <td style="text-align: center;">08</td> <td style="text-align: center;">25</td> </tr> <tr> <td style="text-align: center;">94</td> <td style="text-align: center;">08</td> <td style="text-align: center;">25</td> </tr> </table>	Y	M	D	94	08	25	94	08	25	<p>Party(ies) Signature</p>  <p>Purewal Blueberry Farms Ltd.</p> <p>THE CORPORATION OF THE DISTRICT OF PITT MEADOWS</p>  <p>David Robert Duncan, Mayor.</p>  <p>Brian Ewison Strong, Clerk</p> <p><i>KEN J. WIESNER, ACTING CLERK.</i></p>
Y	M	D									
94	08	25									
94	08	25									

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. 1979, c.116, 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.

* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

**If space insufficient, continue executions on additional page(s) in Form D.

Terms of Instrument - Part 2

SECTION 215 COVENANT

(Land Title Act)

WHEREAS:

A. The Covenantor is the registered owner of ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the Municipality of Pitt Meadows, in the Province of British Columbia, and more particularly known and described as:

Lot 6, Section 27, Township 9, New Westminster District,
Plan 2933,

(hereinafter called the "said lands"

B. Section 215 of the Land Title Act provides that there may be registered as a charge against the title to land a covenant, whether of a positive or negative nature, in favour of a Municipality in respect of the use of a building on or to be erected on land.

C. The Covenantee has agreed to permit a second dwelling to be constructed or placed on the said lands subject to the registration of this Agreement.

NOW THEREFORE in consideration of sum of One Dollar (\$1.00) (the receipt whereof is hereby acknowledged by the Covenantor), the parties hereto do hereby covenant and agree each with the other as follows:

OK
3/3

1. The Covenantor shall not build on or use the Lands other than in accordance with this Covenant;

2. Upon the occupancy of the second dwelling to be constructed or placed on the said lands for single family residential use, the initial dwelling constructed on the said lands (hereinafter called the Accessory Dwelling for Full Time Farm Help" shall be used solely for full time farm help accommodation, as provided for in the "District of Pitt Meadows Land Use Bylaw, 1992 No. 1250", as amended.

3. Upon the Dwelling for Full Time Farm Help ceasing to be required for full time farm help accommodation or upon the property ceasing to be used for agricultural use for a period exceeding one year, the full time farm help accommodation shall be rendered incapable of being used for human habitation to the satisfaction of the District's Approving Officer and Building Inspector.

4. THE COVENANTOR COVENANTS AND AGREES to indemnify the Covenantee forthwith for any damages suffered by or liability imposed upon the Covenantee and for all expenses and costs incurred by the Covenantee, including any costs of enforcing this Agreement in the manner prescribed as between solicitor and client, resulting from any breach by the Covenantor of any matter herein agreed to.

5. THE COVENANTEE COVENANTS AND AGREES with the Covenantor that upon receipt of evidence satisfactory to the Covenantee that the said existing dwelling has been demolished or otherwise removed from the said lands, the Covenantee shall provide the Covenantor with a release of this Agreement, in registrable form.

6. IT IS MUTUALLY UNDERSTOOD, agreed and declared by and between the parties hereto that:

(a) nothing contained or implied herein shall prejudice or affect the rights and powers of the Covenantee in the exercise of its functions under any public and private statutes, bylaws, orders and regulations, all of which may be fully and effectively exercised in relation to the said lands as if this Agreement had not been executed and delivered by the Covenantor;

(b) the covenants set forth herein shall charge the said lands pursuant to Section 215 of the Land Title Act and shall be covenants, the burden of which shall run with the said lands. It is further expressly agreed that the benefit of all covenants made by the Covenantor herein shall accrue solely to the Covenantee and that this Agreement may be modified by agreement of the parties hereto, or discharged by the Covenantee, pursuant to the provisions of Section 215(5) of the Land Title Act.

(c) the Covenantor shall, after execution hereof by them, at the expense of the Covenantor, do or cause to be done all acts reasonably necessary to grant priority to this Agreement over all charges and encumbrances which may have been registered against the title to the lands in the New Westminster Land Title Office save and except those specifically approved in writing by the Covenantee or in favour of the Covenantee;

(d) wherever the singular or masculine is used herein, the same shall be construed as meaning the plural, feminine or the body corporate or politic where the context or the parties so require;

(e) the parties hereto shall do and cause to be done all things and execute and cause to be executed all documents which may be necessary to give proper effect to the intention of this Agreement.

As evidence of their agreement to be bound by the terms of this instrument, the parties hereto have executed the Land Title Office Form C.

End of Document

LAND TITLE ACT
MAP 0010 47

BM073664

98 MAR 10 14 47

BM073665

(Section 233)
Province of
British Columbia

LAND TITLE OFFICE
W/ WESTMINSTER/VANCOUVER

2115

GENERAL INSTRUMENT- PART 1 (This area for Land Title Office use only) **PAGE 1 OF 9 PAGES**

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

Shelly J. Rhodes, Legal Assistant of
NORQUIST DAVIES MAPLE RIDGE,
Barristers & Solicitors,
22299 Dewdney Trunk Road,
Maple Ridge, B.C., V2X 3J1


SHELLY J. RHODES, APPLICANT/AGENT

(Telephone: 467-3477)

2. (a) PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:*

(PID)	(LEGAL DESCRIPTION)
011-105-526	LOT "A", SEC 34, TP 9, NWD, PLAN 7231 (the "Dominant Tenement Lot")
004-654-161	LOT 6, SEC 27, TP 9, NWD, PLAN 3710 (the "Servient Tenement Lot")

3. NATURE OF INTEREST DOCUMENT REFERENCE PERSON ENTITLED TO INTEREST

(Description)	(page and paragraph)	
EASEMENT OVER	SEE SCHEDULE	SEE SCHEDULE
PART ON PLAN		
SEE SCHEDULE		

4. TERMS: Part 2 of this instrument consists of (select one only)

(a) Filed Standard Charge Terms	<input type="checkbox"/>	D.F. No.	15 98/03/10 14:42:44 01 NW	057459
(b) Express Charge Terms	<input checked="" type="checkbox"/>	Annexed as Part 2	CHARGE	\$100.00
(c) Release	<input type="checkbox"/>	There is no Part 2 of this instrument		

A selection of (a) includes any additional or modified terms referred to in Item 7 of in a schedule annexed to this instrument. If (c) is selected, the charge described in item 3 is released or discharged as a charge on the land described in Item 2.

5. TRANSFEROR(S):*

PUREWAL BLUEBERRY FARMS LTD. (Inc. No. 246281) (Transferor)
BANK OF MONTREAL (Priority Agreement)

15 98/03/23 09:53:56 01 NW 059516
DEFECT \$20.00

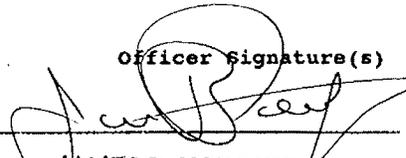
6. TRANSFEREE(S): (including postal address(ess) and postal code(s))*

PUREWAL BLUEBERRY FARMS LTD. (Inc. No. 246281), 22299 Dewdney Trunk Road, Maple Ridge, B.C. V2X 3J1

7. ADDITIONAL OR MODIFIED TERMS:*

N/A

8. EXECUTION(S):** This instrument creates, assigns, modified, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

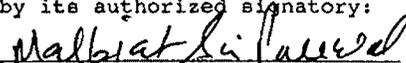
Officer Signature(s)

JAMES B. NORQUIST
BARRISTER & SOLICITOR
22299 DEWDNEY TRUNK ROAD
MAPLE RIDGE, B.C. V2X 3J1
467-3477

EXECUTION DATE

Y	M	D
98	02	11

Party(ies) Signature(s)

PUREWAL BLUEBERRY FARMS LTD.
by its authorized signatory:


MALKIAT SINGH PUREWAL

2115

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 certify the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.
* If space insufficient, enter "SEE SCHEDULE" and attach schedule in form E.
** If space insufficient, continue execution on additional page(s) in form D.

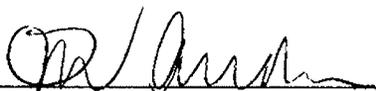
2115

LAND TITLE ACT
FORM D

EXECUTIONS CONTINUED

Page 2

Officer Signature(s)



LAURENCE W. ANDERSON
22311 - 119th AVENUE,
MAPLE RIDGE, B.C. V2X 2Z2
SOLICITOR AND NOTARY PUBLIC
(604) 463-6281

*As to Kathy Hayter's
signature.*

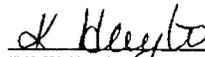
EXECUTION DATE

Y	M	D
98	2	27

Transferor/Borrower/Party
Signature(s)

Group 1
PIA# 8J64477
The BANK OF MONTREAL by its *LAWFUL*
~~authorized signatories:~~ *ATTORNIES:*


PRINT NAME: David Weiss
Branch Manag


PRINT NAME: Kathy Hayter
Senior Customer
Service Officer

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

Enter the required information in the same order as the information must appear on the Freehold Transfer Form, Mortgage Form or General Document Form.

3. NATURE OF INTEREST (Description)	DOCUMENT REFERENCE (page and paragraph)	PERSON ENTITLED TO INTEREST
Easement over part on Plan <u>LMP37297</u>	Entire Document Pgs. 1 - 9 incl.	Registered Owner, Lot A, Sec. 34, TP 9, Plan 7231, PID: 011-105-526
Priority Agreement granting Easement (Plan <u>LMP37297</u>) <u>BM73664</u> priority over mortgage BH436737, BK208208 and BL204007 and AE7263	Pg. 9	Transferee
Consent of Mortgagee	Pg. 9	Registered Owner

TERMS OF INSTRUMENT - Part 2

Page 4 of 9 Pages

THIS AGREEMENT made the 11th day of FEBRUARY, 1998.

BETWEEN:

PUREWAL BLUEBERRY FARMS LTD. (Incorporation No. 246281),
a body corporate incorporated under the laws of the
Province of British Columbia, having its registered
office at 22299 Dewdney Trunk Road, in the Municipality
of Maple Ridge, Province of British Columbia, V2X 3J1

(hereinafter called the "GRANTOR")

OF THE FIRST PART

AND:

PUREWAL BLUEBERRY FARMS LTD. (Incorporation No. 246281),
a body corporate incorporated under the laws of the
Province of British Columbia, having its registered
office at 22299 Dewdney Trunk Road, in the Municipality
of Maple Ridge, Province of British Columbia, V2X 3J1

(hereinafter called the "GRANTEE")

OF THE SECOND PART

WHEREAS:

A. The Grantee is the registered owner of those certain lands and premises situate, lying and being in the Municipality of Pitt Meadows, in the Province of British Columbia, more particularly known and described as:

Parcel Identifier: 011-105-526
Lot A, Section 34, Township 9,
New Westminster District,
Plan 7231

B. The Grantor is also the registered owner of those certain lands and premises situate, lying and being in the Municipality of Pitt Meadows, in the Province of British Columbia, more particularly known and described as:

Parcel Identifier: 004-654-161
Lot 6, Section 27, Township 9,
New Westminster District,
Plan 3710

(hereinafter called the "Lands")

C. A forcemain and appurtenances for a sanitary sewer system has been or will be constructed and installed on portions of the Lands and for the purpose of such installation and construction and for the further purpose of maintaining and inspecting the forcemain and appurtenances, the parties have agreed to the easement as defined in this Agreement.

D. It is the intention of the parties that the Grantee has constructed or shall construct the forcemain and appurtenances and related facilities upon or through those portions of the Lands having a combined area of .953 ha and shown

TERMS OF INSTRUMENT - Part 2

Page 5 of 9 Pages

outlined in heavy black line on the Explanatory Plan prepared by Fenning and Eaton, B.C.L.S., dated December 10, 1997, registered in the New Westminster/Vancouver Land Title Office under Plan number LMP37297, a reduced copy of which is attached hereto as Schedule "A", and upon completion of construction of the forcemain and appurtenances the Grantor and the Grantee shall maintain the Easement Area and forcemain and appurtenances as provided in this Agreement.

NOW THEREFORE in consideration of \$1.00 now paid by the Grantee to the Grantor (the receipt and sufficiency of which are acknowledged), the parties hereto covenant and agree each with the other as follows:

1. The Grantee covenants and agrees with the Grantor that it shall construct or cause to be constructed the forcemain and appurtenances (the "Works") in accordance with plans accepted by the Municipality of Pitt Meadows and upon, under or through those portions of the Lands described as follows:

Those portions of the Lands having a combined area of .953 ha and shown outlined in heavy dark line on Explanatory Plan No. LMP37297, (the "Easement Area"), a reduced copy of which is attached to this Agreement as Schedule "A".

2. The Grantor as registered owner of Lot 6...Plan 3710 "Servient Tenement" and owner of the Servient Tenement Lot (as defined) grants in favour of the Dominant Tenement Lot (as defined), the full, free and unrestricted right and liberty to construct, maintain, repair, replace or renew any or all of the Works in, over and upon those portions of the Servient Tenement Lot contained in the Easement Area. "Dominant Tenement" shall mean that lot as real property for which the benefit of the aforesaid right is hereby granted. "Servient Tenement" shall mean that lot as real property in, over and upon which the aforesaid right is granted. The grant of Easement is from the Servient Tenement Lot in favour of the Dominant Tenement Lot as follows:

Servient Tenement Lot	Dominant Tenement Lot
Lot 6...Plan 3710	Lot "A"...Plan 7231

3. All covenants of the Grantor under this Agreement and any rights, duties or responsibilities of the Grantor as specified in this Agreement shall be deemed to be granted in respect to the Servient Tenement Lot in favour of or in respect of the Grantee as Dominant Tenement owner of the Dominant Tenement Lot related to that Servient Tenement Lot.

4. The Grantor covenants, agrees and grants to the Grantee, its servants, agents, tenants, invitees and licensees the full, free and uninterrupted right, licence, liberty, easement, privilege and permission at all times to allow sewage and waste waters to flow through the Works installed by the Grantee on, under or through the Easement Area.

5. The Grantee, as Dominant Tenement Owner grants to the Grantor, the right to enter upon and have full and uninterrupted access at all times over, through and under the Easement Area with or without workmen, vehicles and equipment, for the purpose of repairing, cleaning and otherwise servicing the Works.

TERMS OF INSTRUMENT - Part 2

Page 6 of 9 Pages

6. The Grantor covenants with the Grantee:

- (a) that no building, structure, fence, foundation, pavement, excavation, well, pile of material or obstruction, save and except as set out in paragraph 5 above, shall be made, placed, erected or maintained on any portion of the Easement Area and that no growth, except lawn grass, shall be planted upon the Easement Area;
- (b) that no residence shall be made, placed, erected or maintained within the Easement Area;
- (c) that the Grantor shall not do knowingly permit to be done any act or thing which will interfere with or obstruct the Works;
- (d) the Grantor shall not disturb, reshape, modify or in any way alter any portion of the finished ground surface of the Easement Area;
- (e) that the Grantor will not diminish the soil cover over any portion of the Easement Area.

7. The Grantee covenants with the Grantor:

- (a) that the Grantee will, as far as reasonably necessary, carry out or cause to be carried out the maintenance, repair, cleaning, renewal, replacement and/or otherwise servicing of the Works located on or under the Easement Area in a proper and workmanlike manner; and
- (b) to repair any damage to the Easement Area, occasioned by its use, maintenance and repair to the Works in the Easement Area.

8. The Grantor and the Grantee covenant and agree each with the other to save harmless and indemnify the other from any breach or default of any covenant under this Agreement until their respective rights, interest, liberties, duties, obligations and covenants are assigned, transferred, devolved or otherwise alienated.

9. Nothing contained in this Agreement shall be interpreted so as to restrict or prevent the Grantor and Grantee from using the Easement Area in any manner which does not interfere with the security or efficient functioning of or unobstructed access to the Works.

10. The Easement shall not be released or modified in whole or in part from the title of the Lands without the consent and agreement of the Grantor and the Grantee and until such agreement is entered into this Agreement shall run with the Lands and shall be perpetual and the Easement hereby created shall be perpetual.

TERMS OF INSTRUMENT - Part 2

Page 7 of 9 Pages

11. If any part of this Agreement is held to be invalid, illegal or unenforceable by a court having the jurisdiction to do so, that part is to be considered to have been severed from the rest of this Agreement and the rest of this Agreement remains in force unaffected by that holding or by the severance of that part.

12. This Agreement is the entire agreement between the parties regarding its subject.

13. This Agreement shall enure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and assigns.

14. Wherever the singular or the masculine is used in this Agreement, the same shall be construed as meaning the plural or the feminine or the body corporate or politic where the context or the parties hereto so require.

15. The parties hereto shall do and cause to be done all things and execute and cause to be executed all documents which may be necessary to give proper effect to the intention of this Agreement.

IN WITNESS WHEREOF the said Grantor has caused these Presents to be executed as of the day, month and year first above written, by its authorized signatory, and Grantee has hereunto set her hand and seal as of the day, month and year first above written.

PUREWAL BLUEBERRY FARMS LTD.
as Grantor, by its authorized
signatory:

Malkiat Singh Purewal
MALKIAT SINGH PUREWAL

PUREWAL BLUEBERRY FARMS LTD.
as Grantee, by its authorized
signatory:

Malkiat Singh Purewal
MALKIAT SINGH PUREWAL

TERMS OF INSTRUMENT - PART 2

REFERENCE PLAN OF EASEMENT OVER A PORTION OF LOT 6
SECTION 27 TOWNSHIP 9 N. W. D. PLAN 3710

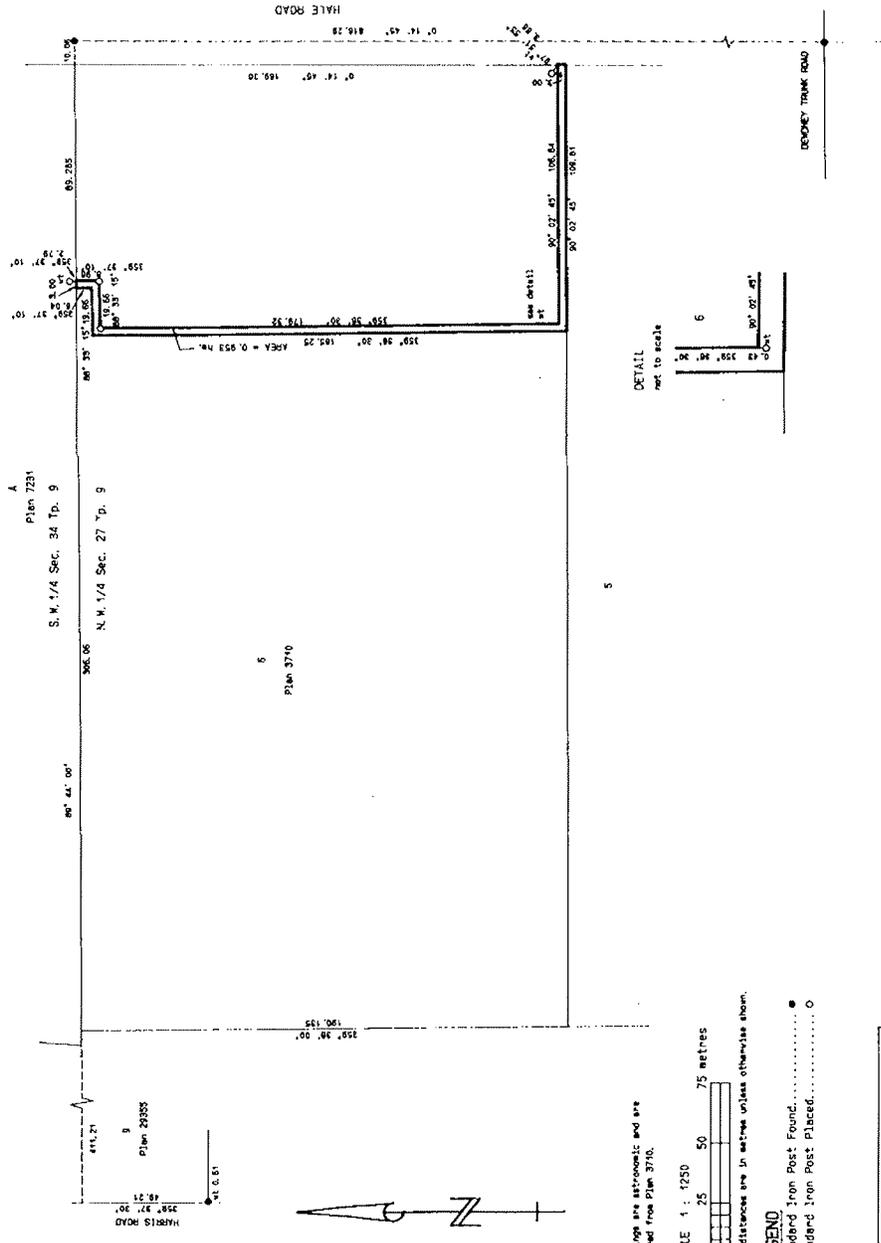
Pursuant to Section 98(1) (b), L.T.A. for Sewer purposes,
The Corporation of the District of Pitt Meadows
B.C.E.S. 925 927

PLAN LMP 37297

Deposited in the Land Title Office at
New Westminster, B.C., this
day of _____ 199...

Register

SCHEDULE "A"



I, D.G. Fenning, a British Columbia Land Surveyor
of Maple Ridge, in British Columbia, certify that I
was present at, and personally supervised the
survey represented by this plan and that the survey
and plan are correct.
This survey was completed on the 10th
day of December, 1991.

D.G. Fenning
D.G. Fenning, C.L.S., S.C.L.S.

This plan lies within the Greater Vancouver Regional District.

Bearings are astronomic and are
derived from Plan 3710.

SCALE 1 : 1250
0 25 50 75 metres

All distances are in metres unless otherwise shown.

LEGEND
Standard Iron Post Found.....
Standard Iron Post Placed.....

Fenning and Eaton
BC and Canada Lands Surveyors
Maple Ridge, B.C.
603-2509
EILE: 9727429-3

TERMS OF INSTRUMENT - Part 2

Page 9 of 9 Pages

MEMORANDUM AS TO ENCUMBRANCES, LIENS AND INTERESTS

Mortgages in favour of Bank of Montreal registered under numbers BH436737, BK208208 and BL204007, and AE7263.

CONSENT

The undersigned, being the holder of the encumbrances or entitled to the liens or interests referred to in the memorandum above written, hereby approves of, joins in and consents to the registration of the within Agreement and doth covenant and agree that the same shall be binding upon its interest in or charge upon the said lands and shall be an encumbrance upon the said lands prior to the above noted mortgage in the same manner and to the same effect as if it had been dated and registered prior to the said mortgage.

Officer Signature(s)

EXECUTION DATE

Transferor/Borrower/Party Signature(s)

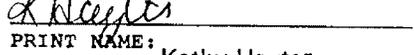


Y	M	D
98	2	27

Group 1
PIA # 8564477
BANK OF MONTREAL
by its authorized signatories:



PRINT NAME: David Weiss
Branch Manager



PRINT NAME: Kathy Hayter
Senior Customer
Service Officer

LAURENCE W. ANDERSON
22311 - 119th AVENUE,
MAPLE RIDGE, B.C. V2X 2Z2
SOLICITOR AND NOTARY PUBLIC
(604) 463-6281

As to Kathy Hayter's signature,
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.

END OF DOCUMENT

Appendix "B"

Copy of the A-1 Zoning Bylaw

8 AGRICULTURAL

8.1 A-1 General Agricultural

8.1.1 Intent

The intent of the General Agricultural (A-1) Zone is to protect the farming areas of the municipality for the production of food and goods with regulations consistent with the provisions of the ***Agricultural Land Commission Act*** and regulations.

8.1.2 Permitted Uses

Principal Uses	Accessory Uses
<ul style="list-style-type: none">▪ <i>Agriculture</i>▪ <i>Farm House</i>▪ <i>Kennel</i>	<ul style="list-style-type: none">▪ <i>Additional Farm House</i>▪ <i>Migrant Farm-Worker Housing</i>▪ <i>Secondary Suite</i>▪ <i>Home-Based Business</i>▪ <i>Agri-Tourism</i>▪ <i>Farm Retail Sales</i>▪ <i>Bed and Breakfast</i>▪ <i>Accessory Farm Residential Buildings and Structures</i>▪ <i>Accessory Agricultural Buildings and Structures</i>▪ <i>Boarding</i>▪ <i>Licensed Winery, Brewery, Distillery, Meadery or Cidery Lounge (Bylaw 2722, 2016)</i>

8.1.3 Permitted Density

- a) The maximum density is one *farm house* per *lot*.
- b) One *additional farm house* may be permitted for *farm operations* consisting of more than 8 ha and less than 40 ha. (Bylaw 2763, 2017)
- c) Two *additional farm houses* may be permitted for *farm operations* consisting of 40 ha or more. (Bylaw 2763, 2017)
- d) One *dwelling unit* for *migrant farm-worker housing* is permitted for *farm operations* consisting of more than 4.05 ha and less than 40 ha.
- e) Two *dwelling units* for *migrant farm-worker housing* are permitted for *farm operations* consisting of 40 ha or more.

8.1.4 Site Requirements

- a) Minimum *lot area* for the purposes of subdivision is 8 ha.
- b) Minimum *lot width* for the purposes of subdivision is one-quarter the least depth of the *lot*.

8.1.5 Permitted Lot Coverage

- a) The maximum *lot coverage* for *agricultural buildings and structures* is
 - i. 75% for greenhouses;
 - ii. 20% for apiculture;
 - iii. 35% for all other *agricultural buildings and structures* on the *lot*, including *kennels*.
- b) The maximum *lot coverage* for all *residential buildings and structures* is
 - i. 5% for lots less than 4 ha;
 - ii. 1% for lots 4 ha or more.
- c) The maximum residential *farm house* footprint is 600 sq m. (Bylaw 2763, 2017)
- d) In this section, residential *farm house* footprint means the combined area of all structures attached to the farm house building including but not limited to garages, carports, balconies, porches, decks and breezeway. (Bylaw 2763, 2017)
- e) Wherever *lot coverage* and residential *farm house* footprint are in conflict, the lesser permitted shall apply. (Bylaw 2763, 2017)

8.1.6 Permitted Height

- a) The maximum *height* for a *farm house* is the lesser of 2 ½ storeys and 10 m.
- b) The maximum *height* for an *additional farm house* is the lesser of 2 ½ storeys and 10 m.
- c) The maximum *height* for *accessory farm residential structures* is 9.0 m.
- d) The maximum *height* for *agricultural buildings and structures* is 15.0 m with the exception of grain elevators and silos, which are permitted to a maximum *height* of 35 m.
- e) The maximum *height* for *kennels* is 5.0 m.

8.1.7 Siting—Residential Buildings

- a) All *residential buildings*, excluding *migrant farm-worker housing*, shall be sited not less than
 - i. 7.5 m from front, rear, and exterior *lot lines*;
 - ii. 3.0 m from *interior lot lines*;
 - iii. 15.0 m from *watercourses, key ditches* and *constructed ditches*; (Bylaw 2650, 2014)
- b) *Migrant farm-worker housing* shall be sited not less than
 - i. 9.0 m from front, rear, and exterior *lot lines*;

- ii. 3.0 m from *interior lot lines*;
 - iii. 15.0 m from *watercourses, key ditches and constructed ditches*; (Bylaw 2650, 2014)
 - iv. 30 m from *single-family dwellings* on adjacent parcels;
 - v. 500 m from any other *building* used from *migrant farm-worker housing*.
- c) A *farm house* and all *accessory farm residential buildings and structures* shall have the following *building separation*: (Bylaw 2763, 2017)
- i. Minimum of 1.2 m
 - ii. Maximum of 50 m

8.1.8 Siting—Agricultural Buildings and Manure Storage

Agricultural buildings and structures shall be sited not less than:

- a) For *livestock* barns, poultry brooder houses, confined *livestock* areas, fur farming sheds, milking facilities, stables, and hatcheries:
 - i. 30 m from front, rear, and exterior *lot lines*;
 - ii. 15 m from *interior lot lines*;
 - iii. 15.0 m from *watercourses, key ditches and constructed ditches*; (Bylaw 2650, 2014)
 - iv. 30 m from *residential buildings* on adjacent *lots*.
- b) For the growing of mushrooms:
 - i. 15 m from front, rear, and exterior *lot lines*;
 - ii. 7.5 m from *interior lot lines*;
 - iii. 15.0 m from *watercourses, key ditches and constructed ditches*. (Bylaw 2650, 2014).
- c) For the keeping of more than six swine and associated manure storage:
 - i. 60 m from front, rear, and exterior *lot lines*;
 - ii. 30 m from *interior lot lines*;
 - iii. 30.0 m from *watercourses, key ditches and constructed ditches*; (Bylaw 2650, 2014)
 - iv. 90 m from *residential buildings* on adjacent *lots*.
- d) For *kennels*:
 - i. 30.0 m from all *lot lines, watercourses, key ditches and constructed ditches*. (Bylaw 2650, 2014)

- e) Except for those buildings in existence before July 13, 2018, all buildings and structures used to cultivate cannabis shall be sited not less than:
 - i. 30 m for front, rear, interior and exterior lot lines;
 - ii. 30 m from watercourses, key ditches, and constructed ditches;
 - iii. 60 m from residential buildings on adjacent lots;
 - iv. 150 m from recreation areas and schools (Bylaw 2814, 2018)
- f) For all other *agricultural buildings and structures*:
 - i. 9 m from front, rear, and exterior *lot lines*;
 - ii. 4.5 m from *interior lot lines*;
 - iii. 15.0 m from *watercourses and key ditches*; (Bylaw 2650, 2014)
 - iv. 6 m from *constructed ditches*. (Bylaw 2650, 2014)
- g) Unless otherwise noted, manure storage and mushroom solid-waste storage shall be located 30 metres from all *lot lines* and 15.0 m from *watercourses, key ditches and constructed ditches*; (Bylaw 2650, 2014).

8.1.9 On-Site Parking and Loading

- a) No *lot* in the A-1 zone shall be used for more than a total of 72 hours in a calendar week for
 - i. the storage or parking, other than in a garage or *carport*, of more than one unlicensed *vehicle* as defined in the **Motor Vehicle Act**, which is not a *farm vehicle* used in a *farm operation* of which the *lot* forms a part, and any such *vehicle* shall be stored or parked only to the rear of the wall nearest the *front lot line* of any *farm house* on the *lot*;
 - ii. the storage, other than in a *building*, of detached parts of motor *vehicles* except *farm* machinery and equipment used in a *farm operation* of which the *lot* forms a part.
- b) Parking and storage of *farm vehicles* and *farm* machinery and equipment referred to in subsection 8.1.3 a) and not parked or stored in *farm buildings* shall be in the *rear yard* of the principal *residential dwelling unit*.

8.1.10 Conditions of Use

- a) The *use of lots* less than 0.8 ha (2 acres) in area shall also comply with the following:
 - i. No *dwelling units* of any kind or *accessory residential buildings or structures* shall be constructed on *lots* created by subdivision prior to January 21st, 1992.

- ii. The *use* of the land and erection, alteration, and maintenance of *residential buildings* and *structures* on *lots* on which a *dwelling unit* was in existence on January 21, 1992 shall conform with the requirements of the (RS) Large Lot Residential Zone.
- b) The area used for the outdoor storage and sales of products associated with nursery operations, excluding bulk soil material, shall not exceed the lesser of 10% of the site area and 2000 sq m.
- c) The area used for composting of *livestock* wastes shall not exceed 465 sq m per *farm operation*.
- d) *Accessory farm residential buildings* shall
 - i. not contain a *kitchen* or any *habitable space*;
 - ii. be limited to one washroom with a maximum floor area of 10 sq m, which must not contain a bathtub and which must be located on the ground floor;
 - iii. if designed and used for the storage or parking of *vehicles* on the ground floor, be designed and constructed with access to
 - the ground floor being limited to one door, which must provide access to and through the *vehicle* storage or parking area;
 - the upper *storey* being limited to the interior of the *building*.
- e) *Agricultural buildings* shall
 - i. be designed and used for agricultural purposes only;
 - ii. be permitted only on a *lot* that is assessed as “farm” under the **Assessment Act**.
- f) Telecommunication antenna and related equipment and *buildings* in the Agricultural Land Reserve shall not occupy more than 100 sq m of the *lot* on which they are located.
- g) *Farm retail sales* are permitted provided that a minimum of 50% of the products are produced in the *farm operation* of which the *lot* on which the retail sales occur forms a part.
- h) Processing and sales of *farm* and animal products are permitted, provided that a minimum of 50% of the products are produced in the *farm operation* of which the *lot* on which the processing and sales occur forms a part.
- i) The *City* recognizes that there are *additional farm houses* in lawful existence on the date of adoption of Bylaw No. 2763, 2017 and that these *additional farm houses* are granted legal non-conforming status and may continue to be used as an *additional farm house* in the event of damage or destruction. (Bylaw 2763, 2017)

Appendix "E"

Qualifications of the Appraisers

Qualifications of the Appraiser

Adrian Zaldivar, B.Comm. (AIC Candidate)

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

Experience:

2013-Present Appraisal Consultant at *Garnett Wilson Realty Advisors. Ltd.*

Education:

2012 – Present *University of British Columbia, Sauder School of Business* Post-Graduate Certificate in Real Property Valuation

2013 *We Value Canada Seminar*

2011-2015 *UBC – Tec de Monterrey Joint Academic Program:* Bachelor of Commerce

Professional Liability Insurance:

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

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

Qualifications of the Appraiser

Neil Hahn, B.Com, AACI, P.App

Experience with a variety of assignments involving expropriation matters, development sites, multi-family developments, commercial office and retail use properties, and industrial buildings throughout British Columbia. Designated member of the Appraisal Institute of Canada. Accepted as an expert witness by the Supreme Court of British Columbia and at arbitration proceedings.

Experience:

2010 – Present Appraisal Consultant at *Garnett Wilson Realty Advisors Ltd.* Specializes in expropriation and litigation support, with a secondary focus on a variety of ICI assignments throughout British Columbia.

2006 – 2010 Valuation Consultant with the Altus Group Ltd., a multinational real estate consulting company. Involved in a wide range of appraisal assignments including land valuation, expropriation, litigation, rent reviews and valuation of income producing properties around British Columbia.

Education:

2006 - 2008 *University of British Columbia:* Post Graduate Certificate in Real Property Valuation (PGCV).

2001 - 2005 *University of British Columbia:* Bachelor of Commerce (Real Estate specialization).

Designations and Memberships:

- Awarded use of the professional designation AACI (Accredited Appraiser – Canadian Institute) by the Appraisal Institute of Canada in 2009.
- Awarded use of the professional designation P.App (Professional Appraiser) by the Appraisal Institute of Canada in 2009.
- Past President and current Secretary of the British Columbia Expropriation Association.

Professional Liability Insurance:

Present *Appraisal Institute of Canada:* by Trisura Guarantee Insurance Company
Type of Practice: Fee Appraiser (**Claim Free**)

Partial List of Clients:

Ministry of Transportation and Infrastructure	Evergreen Line Rapid Transit Project
BC Hydro	Port Metro Vancouver
Kinder Morgan Canada	Fraser Health Authority
City of Vancouver	District of North Vancouver
City of Surrey	Public Works and Government Services
Metro Vancouver (G.V.R.D.)	Hungerford Properties Ltd.
Sechelt First Nation	Southern Railway of British Columbia
Attorney General of British Columbia	Hunter Litigation Chambers
Norton Rose Fulbright Canada LLP	Gowling WLG Canada
Borden Ladner Gervais LLP	Nathanson, Shachter & Thompson LLP
Lunny Atmore LLP	Owen Bird Law Corporation
Sugden McFee & Roos LLP	

APPENDIX C

June 27, 2019

GWRA File No. 201904-10505

FTI Consulting
Suite 15-131
555 Burrard Street
Vancouver, BC V7X 1M8**Attention: Mr. Craig Munro****Re: Forced Sale Conditions Addendum Letter
13549 Hale Road, Pitt Meadows, BC**

Dear Sir:

Garnett Wilson Realty Advisors Ltd. completed an appraisal of the above noted property with an effective date of April 22, 2019. In that appraisal we estimated the market value of the property, subject to the assumptions and limiting conditions noted in the report to be as follows:

MARKET VALUE CONCLUSION	
Appraisal Premise	
Estimate of Market Value (Forced Sale Conditions):	\$2,500,000
Estimate of Market Value (Standard Sale Conditions):	\$2,820,000

In our report we noted that if the property were to be sold for its "Force Sale Value", a discount of 10-15% from the Standard Sale Conditions value of \$2,820,000 would be appropriate. Utilizing these discount factors, a range of Forced Sale Values from \$2,397,000 - \$2,538,000 is indicated. In our appraisal we concluded a value of \$2,500,000 as being within this range and therefore an appropriate indication of value.

We understand that an offer to purchase has now been submitted for \$2,400,000 and would note that this value falls within the range of Forced Sale Values noted above. This offer price is therefore considered to be a reasonable reflection of market value under Forced Sale Conditions.

It is important to note that this addendum letter must be read in conjunction with our appraisal report dated May 2, 2019. That report forms the basis of these opinions and must be read as a whole as sections taken out of context may be misleading. The report has been prepared in accordance with the Canadian Uniform Standards of Professional Appraisal. Your attention is directed to the assumptions and limiting conditions of the report which may impact these opinions.

Yours truly,

Garnett Wilson Realty Advisors Ltd.



Neil Hahn, AACI, P.App.
B.Comm

CERTIFICATION

June 27, 2019

Re: 13549 HALE ROAD, PITT MEADOWS, BC ADDENDUM LETTER

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

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

CERTIFICATION (continued)

Property Identification

Address

13549 Hale Road, Pitt Meadows, BC

Legal Description

Lot 6, Section 27, Township 9, New Westminster District Plan 3710

Garnett Wilson Realty Advisors Ltd.

Neil Hahn, AACI, P.App.
B.Comm,
membership #: 904216
Signed:

ASSUMPTIONS AND LIMITING CONDITIONS

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

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

ASSUMPTIONS AND LIMITING CONDITIONS (continued)

7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical, or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater, or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present, or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues, then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.

9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.

10. The term "inspection" refers to observation and reporting of the general material finishing and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.

ASSUMPTIONS AND LIMITING CONDITIONS (continued)

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

ASSUMPTIONS AND LIMITING CONDITIONS (continued)

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

CERTIFICATION (continued)

Property Identification

Address

13549 Hale Road, Pitt Meadows, BC

Legal Description

Lot 6, Section 27, Township 9, New Westminster District Plan 3710

BASED UPON THE DATA, ANALYSES AND CONCLUSIONS CONTAINED HEREIN, THE MARKET VALUE OF THE INTEREST IN THE PROPERTY DESCRIBED, AS AT APRIL 22, 2019 IS AS FOLLOWS:

MARKET VALUE CONCLUSION	
Appraisal Premise	
Estimate of Market Value (Forced Sale Conditions):	\$2,500,000
Estimate of Market Value (Standard Sale Conditions):	\$2,820,000

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

Garnett Wilson Realty Advisors Ltd.



Per: Adrian Zaldivar, B.Comm
(AIC Candidate)
Membership #: 906925
Signed: May 2, 2019



Neil Hahn, AACI, P.App.
B.Comm,
Membership #: 904216
Signed: May 2, 2019

Adrian Zaldivar (AIC Candidate) personally inspected the subject property from the curbside on April 22, 2019.

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

APPENDIX D

CONTRACT OF PURCHASE AND SALE INFORMATION ABOUT THIS CONTRACT

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

1. **CONTRACT:** This document, when signed by both parties, is a legally binding contract. **READ IT CAREFULLY.** The parties should ensure that everything that is agreed to is in writing.
2. **DEPOSIT(S):** Section 28 of the *Real Estate Services Act* requires that money held by a brokerage in respect of a real estate transaction for which there is an agreement between the parties for the acquisition and disposition of the real estate be held by the brokerage as a stakeholder. The money is held for the real estate transaction and not on behalf of one of the parties. If a party does not remove a subject clause, the brokerage requires the written agreement of both parties in order to release the deposit. If both parties do not sign the agreement to release the deposit, then the parties will have to apply to court for a determination of the deposit issue.
3. **COMPLETION:** (Section 4) Unless the parties are prepared to actually meet at the Land Title Office and exchange title documents for the Purchase Price, it is, in every case, advisable for the completion of the sale to take place in the following sequence:
 - (a) The Buyer pays the Purchase Price or down payment in trust to the Buyer's Lawyer or Notary (who should advise the Buyer of the exact amount required) several days before the Completion Date and the Buyer signs the documents.
 - (b) The Buyer's Lawyer or Notary prepares the documents and forwards them for signature to the Seller's Lawyer or Notary who returns the documents to the Buyer's Lawyer or Notary.
 - (c) The Buyer's Lawyer or Notary then attends to the deposit of the signed title documents (and any mortgages) in the appropriate Land Title Office.
 - (d) The Buyer's Lawyer or Notary releases the sale proceeds at the Buyer's Lawyer's or Notary's office.

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

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

4. **POSSESSION:** (Section 5) the Buyer should make arrangements through the real estate licensees for obtaining possession. The Seller will not generally let the Buyer move in before the Seller has actually received the sale proceeds. Where residential tenants are involved, Buyers and Sellers should consult the *Residential Tenancy Act*.
5. **TITLE:** (Section 9) It is up to the Buyer to satisfy the Buyer on matters of zoning or building or use restrictions, toxic or environmental hazards, encroachments on or by the Property and any encumbrances which are staying on title before becoming legally bound. It is up to the Seller to specify in the Contract if there are any encumbrances, other than those listed in Section 9, which are staying on title before becoming legally bound. If you as the Buyer are taking out a mortgage, make sure that title, zoning and building restrictions are all acceptable to your mortgage company. In certain circumstances, the mortgage company could refuse to advance funds. If you as the seller are allowing the Buyer to assume your mortgage, you may still be responsible for payment of the mortgage, unless arrangements are made with your mortgage company.
6. **CUSTOMARY COSTS:** (Section 15) In particular circumstances there may be additional costs, but the following costs are applicable in most circumstances:

Costs to be Borne by the Seller

Lawyer or Notary Fees and Expenses:
 - attending to execution documents.
 Costs of clearing title, including:- investigating title,
 - discharge fees charged by encumbrance holders,
 - prepayment penalties.
 Real Estate Commission (plus GST).
 Goods and Services Tax (if applicable).

Costs to be Borne by the Buyer

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

- appraisal (if applicable)
 - Land Title Registration fees.
 Fire Insurance Premium.
 Sales Tax (if applicable).
 Property Transfer Tax.
 Goods and Services Tax (if applicable).

In addition to the above costs there maybe financial adjustments between the Seller and the Buyer pursuant to Section 6 and additional taxes payable by one or more of the parties in respect of the Property or the transaction contemplated hereby (eg. empty home tax and speculation tax).

7. **CLOSING MATTERS:** The closing documents referred to in Sections 11, 11A and 11B of this Contract will, in most cases, be prepared by the Buyer's Lawyer or Notary and provided to the Seller's Lawyer or Notary for review and approval. Once settled, the lawyers/notaries will arrange for execution by the parties and delivery on or prior to the Completion Date. The matters addressed in the closing documents referred to in Sections 11A and 11B will assist the lawyers/notaries as they finalize and attend to various closing matters arising in connection with the purchase and sale contemplated by this Contract.
8. **RISK:** (Section 16) The Buyer should arrange for insurance to be effective as of 12:01 am the Completion Date.
9. **FORM OF CONTRACT:** This Contract of Purchase and Sale is designed primarily for the purchase and sale of freehold residences. If your transaction involves: a house or other building under construction, a lease, a business, an assignment, other special circumstances (including the acquisition of land situated on a First Nations reserve)
 Additional provisions, not contained in this form, may be needed, and professional advice should be obtained. A Property Disclosure Statement completed by the Seller may be available.
10. **REALTOR® Code, Article 11:** A REALTOR® shall not buy or sell, or attempt to buy or sell an interest in property either directly or indirectly for himself or herself, any member of his or her immediate family, or any entity in which the REALTOR® has a financial interest, without making the REALTOR®'s position known to the buyer or seller in writing. **Real Estate Council Rules 5-9:** If a licensee acquires, directly or indirectly, or disposes of real estate, or if the licensee assists an associate in acquiring, directly or indirectly, or disposing of real estate, the licensee must make a disclosure in writing to the opposite party before entering into any agreement for the acquisition or disposition of the real estate.
11. **RESIDENCY:** When completing their residency and citizenship status, the Buyer and the Seller should confirm their residency and citizenship status and the tax implications thereof with their Lawyer/Accountant.
12. **AGENCY DISCLOSURE:** (Section 21) all Designated Agents/Licensees with whom the Seller or the Buyer has an agency relationship should be listed. If additional space is required, list the additional Designated Agents/Licensees on an addendum to the Contract of Purchase and Sale.



THE CANADIAN
BAR ASSOCIATION
British Columbia Branch

CONTRACT OF PURCHASE AND SALE

BROKERAGE: Multiple Realty Ltd. DATE: June 27, 2019
 ADDRESS: #110 - 9780 Cambie Road Richmond PC: V6X 1K4 PHONE: (604) 273-8555
 PREPARED BY: Manpreet Berar PREC* MLS® NO: _____

SELLER: <u>PUREWALL BLUEBERRY FARMS LTD.</u>	BUYER: <u>JOHAL BERRY FARMS LTD.</u>
SELLER: <u>INC. NO. 726034</u>	BUYER: _____
ADDRESS: <u>13753 HALE ROAD</u>	ADDRESS: _____
<u>PITT MEADOWS, BC</u>	_____
_____ PC: <u>V3Y 1Z1</u>	_____ PC: _____
PHONE: _____	PHONE: _____
	OCCUPATION: _____

PROPERTY:

13549 HALE ROAD

UNIT NO.	ADDRESS OF PROPERTY
<u>PITT MEADOWS</u>	<u>V3Y 1Z1</u>
CITY/TOWN/MUNICIPALITY	POSTAL CODE
<u>004-654-161</u>	
PID	OTHER PID(S)

Lot 6 Plan NWP3710 Part1 NW Section 27 Township 9 Land District 36

LEGAL DESCRIPTION

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

- PURCHASE PRICE:** The purchase price of the Property will be _____
Two Million Four Hundred Thousand
 _____ DOLLARS \$ 2,400,000.00 (Purchase Price)
- DEPOSIT:** A deposit of \$ 100,000.00 which will form part of the Purchase Price, will be paid **within 24 hours of acceptance** unless agreed as follows: _____

All monies paid pursuant to this section (Deposit) will be paid in accordance with section 10 or by uncertified cheque except as otherwise set out in this section 2 and will be delivered in trust to Multiple Realty Ltd. and held in trust in accordance with the provisions of the *Real Estate Services Act*. In the event the Buyer fails to pay the Deposit as required by this Contract, the Seller may, at the Seller's option, terminate this Contract. The party who receives the Deposit is authorized to pay all or any portion of the Deposit to the Buyer's or Seller's conveyancer (the "Conveyancer") without further written direction of the Buyer or Seller, provided that: (a) the Conveyancer is a Lawyer or Notary; (b) such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and (c) if the sale does not complete, the money should be returned to such party as stakeholder or paid into Court.

AD [Signature] [Signature]
INITIALS

3. **TERMS AND CONDITIONS:** The purchase and sale of the Property includes the following terms and is subject to the following conditions:

a) **Buyer's Condition.** The Buyer's obligation to complete the transaction contemplated by this Contract is subject to the Buyer being satisfied with the following condition, in its sole discretion (the "Subject Condition"):

i. "Court Approval": Subject to the Seller receiving court approval on the purchase of this property, on or before ~~July 31, 2019.~~

August 13, 2019

(AJ) (SS) (SP)

This Subject Condition is for the sole benefit of the Buyer and may be waived or removed in writing only by the Buyer in its sole discretion.

Each condition, if so indicated is for the sole benefit of the party indicated. Unless each condition is waived or declared fulfilled by written notice given by the benefiting party to the other party on or before the date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the Real Estate Services Act.

AJ SS SP
INITIALS

13549 HALE ROAD
PROPERTY ADDRESS

PITT MEADOWS

V3Y 1Z1

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4. **COMPLETION:** The sale will be completed on Sept 5 2019 yr. 2019
(Completion Date) at the appropriate Land Title Office. (A) (S) (H)
5. **POSSESSION:** The Buyer will have vacant possession of the Property at 11 a.m. on October 31 Sept 5 yr. 2019 (Possession Date) OR, subject to the following existing tenancies, if any:
(A) (S) (H)
6. **ADJUSTMENTS:** The Buyer will assume and pay all taxes, rates, local improvement assessments, fuel utilities and other charges from, and including, the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of October 31 Sept 5 yr. 2019 (Adjustment Date). (A) (S) (H)
7. **INCLUDED ITEMS:** The Purchase Price includes any buildings, improvements, fixtures, appurtenances and attachments thereto, and all blinds, awnings, screen doors and windows, curtain rods, tracks and valances, fixed mirrors, fixed carpeting, electric, plumbing, heating and air conditioning fixtures and all appurtenances and attachments thereto as viewed by the Buyer at the date of inspection, INCLUDING:
all household appliances, window covers, washer and dryer.

BUT EXCLUDING: _____

8. **VIEWED:** The Property and all included items will be in substantially the same condition at the Possession Date as when viewed by the Buyer on June 27 yr. 2019
9. **TITLE:** Free and clear of all encumbrances except subsisting conditions, provisions, restrictions exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, existing tenancies set out in Section 5, if any, and except as otherwise set out herein.
10. **TENDER:** Tender or payment of monies by the Buyer to the Seller will be by certified cheque, bank draft, cash or Lawyer's/Notary's or real estate brokerage's trust cheque.
11. **DOCUMENTS:** All documents required to give effect to this Contract will be delivered in registrable form where necessary and will be lodged for registration in the appropriate Land Title Office by 4 pm on the Completion Date.
- 11A. **SELLER'S PARTICULARS AND RESIDENCY:** The Seller shall deliver to the Buyer on or before the Completion Date a statutory declaration of the Seller containing: (1) particulars regarding the Seller that are required to be included in the Buyer's Property Transfer Tax Return to be filed in connection with the completion of the transaction contemplated by this Contract (and the Seller hereby consents to the Buyer inserting such particulars on such return); (2) declarations regarding the Speculation and Vacancy Tax for residential properties located in jurisdictions where such tax is imposed and the Vancouver Vacancy By-Law for residential properties located in the City of Vancouver; and (3) if the Seller is not a non-resident of Canada as described in the non-residency provisions of the Income Tax Act, confirmation that the Seller is not then, and on the Completion Date will not be, a non-resident of Canada. If on the Completion Date the Seller is a non-resident of Canada as described in the residency provisions of the Income Tax Act, the Buyer shall be entitled to hold back from the Purchase Price the amount provided for under section 116 of the Income Tax Act.

[Signature]

A	S		H
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INITIALS

PROPERTY ADDRESS

- 11B. **GST CERTIFICATE:** If the transaction contemplated by this Contract is exempt from the payment of Goods and Services Tax ("GST"), the Seller shall execute and deliver to the Buyer on or before the Completion Date, an appropriate GST exemption certificate to relieve the parties of their obligations to pay, collect and remit GST in respect of the transaction. If the transaction contemplated by this Contract is not exempt from the payment of GST, the Seller and the Buyer shall execute and deliver to the other party on or before the Completion Date an appropriate GST certificate in respect of the transaction.
- 12. **TIME:** Time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreements to pay the balance as may be necessary is entered into on or before the Completion Date, the Seller may, at the Seller's option, terminate this Contract, and, in such event, the amount paid by the Buyer will be non-refundable and absolutely forfeited to the Seller, subject to the provisions of Section 28 of the *Real Estate Services Act*, on account of damages, without prejudice to the Seller's other remedies.
- 13. **BUYER FINANCING:** If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has: (a) made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration, and (c) made available to the Seller, a Lawyer's or Notary's undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds pursuant to the Canadian Bar Association (BC Branch) (Real Property Section) standard undertakings (the "CBA Standard Undertakings").
- 14. **CLEARING TITLE:** If the Seller has existing financial charges to be cleared from title, the Seller, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Seller agrees that payment of the Purchase Price shall be made by the Buyer's Lawyer or Notary to the Seller's Lawyer or Notary, on the CBA Standard Undertakings to pay out and discharge the financial charges, and remit the balance, if any, to the Seller.
- 15. **COSTS:** The Buyer will bear all costs of the conveyance and, if applicable, any costs related to arranging a mortgage and the Seller will bear all costs of clearing title.
- 16. **RISK:** All buildings on the Property and all other items included in the purchase and sale will be, and remain, at the risk of the Seller until 12:01 am on the Completion Date. After that time, the Property and all included items will be at the risk of the Buyer.
- 17. **PLURAL:** In this Contract, any reference to a party includes that party's heirs, executors, administrators, successors and assigns; singular includes plural and masculine includes feminine.
- 18. **REPRESENTATIONS AND WARRANTIES:** There are no representations, warranties, guarantees, promises or agreements other than those set out in this Contract and the representations contained in the Property Disclosure Statement if incorporated into and forming part of this Contract, all of which will survive the completion of the sale.
- 19. **PERSONAL INFORMATION:** The Buyer and the Seller hereby consent to the collection, use and disclosure by the Brokerages and by the managing broker(s), associate broker(s) and representative(s) of those Brokerages (collectively the "Licensee(s)") described in Section 21, the real estate boards of which those Brokerages and Licensees are members and, if the Property is listed on a Multiple Listing Service®, the real estate board that operates the Multiple Listing Service®, of personal information about the Buyer and the Seller:
 - A. for all purposes consistent with the transaction contemplated herein:
 - B. if the Property is listed on a Multiple Listing Service®, for the purpose of the compilation, retention and publication by the real estate board that operates the Multiple Listing Service® and other real estate boards of any statistics including historical Multiple Listing Service® data for use by persons authorized to use the Multiple Listing Service® of that real estate board and other real estate boards;

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PROPERTY ADDRESS

- C. for enforcing codes of professional conduct and ethics for members of real estate boards; and
- D. for the purposes (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled *Privacy Notice and Consent*.

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

20. ASSIGNMENT OF REMUNERATION: The Buyer and the Seller agree that the Seller's authorization and instruction set out in section 25(c) below is a confirmation of the equitable assignment by the Seller in the Listing Contract and is notice of the equitable assignment to anyone acting on behalf of the Buyer or Seller.

20A. RESTRICTION ON ASSIGNMENT OF CONTRACT: The Buyer and the Seller agree that this Contract: (a) must not be assigned without the written consent of the Seller; and (b) the Seller is entitled to any profit resulting from an assignment of the Contract by the Buyer or any subsequent assignee.

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

INITIALS	

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

N/A	
INITIALS	

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

INITIALS	

C. The Seller and the Buyer each acknowledge having received, read and understood RECBC form entitled "*Disclosure of Risks Associated with Dual Agency*" and hereby confirm that they each consent to a dual agency relationship with _____ (Designated Agent(s)/Licensee(s))
 who is/are licensed in relation to _____ (Brokerage),
 having signed a dual agency agreement with such Designated Agent(s)/Licensee(s) dated _____.

INITIALS	

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

INITIALS	

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

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INITIALS	

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

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

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

24. **OFFER:** This offer, or counter-offer, will be open for acceptance until _____ o'clock ____m. on _____, yr. _____ (unless withdrawn in writing with notification to the other party of such revocation prior to notification of its acceptance), and upon acceptance of the offer, or counter-offer, by accepting in writing and notifying the other party of such acceptance, there will be a binding Contract of Purchase and Sale on the terms and conditions set forth.

X  WITNESS

 BUYER

JOHAL BERRY FARMS LTD. PRINT NAME

X _____ WITNESS

_____ BUYER

_____ PRINT NAME

If the Buyer is an individual, the Buyer declares that they are a Canadian citizen or a permanent resident as defined in the *Immigration and Refugee Protection Act*.

Yes INITIALS

No INITIALS

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

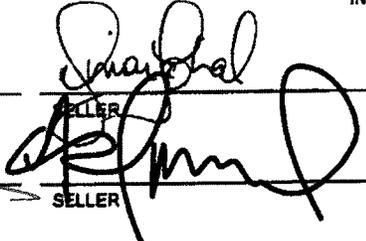
Seller's acceptance is dated July 16, yr. 2019

The Seller declares their residency:

RESIDENT OF CANADA INITIALS

NON-RESIDENT OF CANADA INITIALS as defined under the *Income Tax Act*.

X  WITNESS

 SELLER

PUREWALL BLUEBERRY FA PRINT NAME

INC. NO. 726034 PRINT NAME

X _____ WITNESS

_____ SELLER



**FEE AGREEMENT SELLER PAYS
(BUYER AND SELLER NOT REPRESENTED)**



BETWEEN: Multiple Realty Ltd.
 ("BROKERAGE")
#110 - 9780 Cambie Road
 UNIT ADDRESS
Richmond V6X 1K4

AND: PUREWALL BLUEBE INC. NO. 726034
 ("SELLER")
13753 HALE ROAD
 UNIT ADDRESS
V3Y 1Z1

PROPERTY: 13549 HALE ROAD
 UNIT NO. ADDRESS OF PROPERTY
PITT MEADOWS V3Y 1Z1 004-654-161
 CITY/TOWN/MUNICIPALITY POSTAL CODE PID

Lot 6 Plan NWP3710 Part1 NW Section 27 Township 9 Land District 36

LEGAL DESCRIPTION

In consideration of the Brokerage introducing the Buyer and the Seller or showing the Property to the Buyer through its licensee Manpreet Berar PREC* ("REALTOR*") the Seller covenants and agrees with the Brokerage as follows:

1. The Seller is the owner of the Property.
2. The Brokerage and the REALTOR* are not the agent for either the Seller or JOHAL BERRY FARMS L1 ("Buyer"). who may be interested in purchasing the Property.
3. The Seller will pay to the Brokerage a fee of 3% of total purchase price = \$72,000. plus applicable Goods and Services Tax and any other applicable tax in respect of the fee (fee + tax = remuneration) if a legally enforceable Contract of Purchase and Sale in respect of the Property is entered into at any time between the Seller and the Buyer.
4. The remuneration due to the Brokerage will be payable on the earlier of the date the purchase and sale is completed or the completion date set out in the Contract of Purchase and Sale
5. Despite Clause 3 the remuneration will not be payable if the Buyer defaults and fails to complete the purchase of the Property but will be payable if the Seller defaults and fails to complete the sale of the Property
6. The Seller acknowledges and agrees that:
 - A the Brokerage and the REALTOR* are not acting for either the Seller or the Buyer throughout the transaction and do not owe any agency duties to the Seller or the Buyer,
 - B no advice concerning the Property, including price or terms of sale, has been given by the Brokerage or the REALTOR* to the Seller or the Buyer;
 - C the Brokerage and the REALTOR* are authorized to obtain any information concerning the Property from any person, corporation or governmental authority, including British Columbia Assessment;
 - D nothing in this Agreement, including the obligation of the Seller to pay the remuneration set out in Clause 3, shall be construed as creating an agency relationship between the Brokerage or the REALTOR* and the Seller or the Buyer.
 - E the remuneration set out in Clause 3 shall be payable by the Seller to the Brokerage in addition to any fee or commission payable to the Brokerage by a third party including the Buyer, and the Buyer's brokerage and the Seller's brokerage, if any;
7. The Seller hereby irrevocably:
 - A assigns to the Brokerage from the proceeds of sale of the Property the amount of remuneration due to the Brokerage and authorizes the Brokerage to retain from the deposit monies the amount of the Brokerage's remuneration;
 - B agrees to sign either in the Contract of Purchase and Sale or in a separate document, an irrevocable authority directing the Buyer and the Lawyer or Notary Public acting for the Buyer or Seller to pay to the Brokerage the remuneration due to the Brokerage or the net amount remaining after the deposit monies held in trust have been credited against the remuneration due to the Brokerage
8. In this Agreement "sale" includes an exchange and "sale price" includes the value of property exchanged.
9. The Seller hereby consents to the collection, use and disclosure by the Brokerage, and by the managing broker(s), associate broker(s) and representative(s) of the Brokerage (collectively the "Licensee") noted below, and the real estate board in whose jurisdiction the Property is located and/or of which the Brokerage or Licensee is a member, of personal information about the Seller:
 - A. for all purposes consistent with the transaction contemplated herein;
 - B. for enforcing codes of professional conduct and ethics for members of real estate boards; and
 - C. for the purposes (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled *Privacy Notice and Consent*. The personal information provided by the Seller may be stored on databases outside Canada, in which case it would be subject to the laws of the jurisdiction in which it is located.
10. The interpretation of this Agreement and all matters concerning its enforcement by the parties shall be governed by the laws of the Province of British Columbia
11. The parties acknowledge that this Agreement fully sets out the terms of the agreement between them
12. This Agreement shall be binding upon and benefit not only the parties but their respective heirs, executors, administrators, successors and assigns.

SIGNED, SEALED AND DELIVERED THIS 27 of June, YR. 2019

The Seller declares their residency:

RESIDENT OF CANADA INITIALS NON-RESIDENT OF CANADA INITIALS

as defined under the *Income Tax Act*.

Handwritten signature and initials

SELLER'S SIGNATURE

Multiple Realty Ltd.

BROKERAGE (PRINT)

SELLER'S SIGNATURE

Handwritten signature
 Per: LICENSEE'S SIGNATURE

Manpreet Berar PREC*

LICENSEE (PRINT)

WITNESS TO SELLER'S SIGNATURE

WITNESS TO SELLER'S SIGNATURE

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

DISCLOSURE OF REMUNERATION

**Trading Services
(Rules, section 5-11)**

WHEN A REAL ESTATE LICENSEE ANTICIPATES RECEIVING REMUNERATION* AS A RESULT OF PROVIDING REAL ESTATE SERVICES TO YOU OR ON YOUR BEHALF (OTHER THAN ANY REMUNERATION PAID DIRECTLY BY YOU, THE CLIENT), THEY ARE REQUIRED TO ADVISE YOU OF THIS IN WRITING.

**Remuneration includes any form of remuneration, including any commission, fee, gain or reward, whether the remuneration is received, or is to be received, directly or indirectly.*

PART A: CLIENT INFORMATION

Notice to (name of client)
JOHAL BERRY FARMS LTD.

Street address of subject real estate
13549 HALE ROAD **PITT MEADOWS** **V3Y 1Z1**

PART B: DISCLOSURE OF COMMISSION (complete only one of the following in Part B)

DISCLOSURE OF COMMISSION WHEN ACTING FOR ONE PARTY

I Manpreet Berar PREC* am licensed under the *Real Estate Services Act* and I disclose to you that my related brokerage
(name of licensee)
Multiple Realty Ltd. anticipates receiving a commission of 3% of total purchase price = \$72,000
(name of brokerage) (indicate amount or method of calculation)

from Purewal Blueberry Farms Ltd. with respect to real estate services provided to you or on your behalf in relation to the subject real estate.
(name of individual or organization)

DISCLOSURE OF COMMISSION WHEN ACTING AS DUAL AGENT

I _____ am licensed under the *Real Estate Services Act* and I disclose to you that my related brokerage
(name of licensee)

_____ anticipates receiving a commission of _____
(name of brokerage) (indicate amount or method of calculation)

from _____ with respect to real estate services provided to you, and to the other party to the transaction,
(name of individual or organization)

in relation to the subject real estate.

PART C: DISCLOSURE OF REFERRAL FEES AND OTHER REMUNERATION NOT DISCLOSED IN PART B

I _____ am licensed under the *Real Estate Services Act* and I disclose to you that my related brokerage
(name of licensee)

_____ will receive or anticipates receiving remuneration in the form of or amount of _____
(name of brokerage)

(Indicate form or amount of remuneration) from _____ as a result of my recommendation or referral of:
(name of individual or organization)

(a) you to the following individual or organization _____; or
(name of individual or organization)

(b) the following individual or organization _____ to you.
(name of individual or organization)

PART D: ACKNOWLEDGEMENT

This disclosure is made to you in compliance with section 5-11 of the Rules under the *Real Estate Services Act*, at
Richmond on June 27, 2019
(place) (date)

Name of Licensee Manpreet Berar PREC* Signature of Licensee Manpreet Berar

The undersigned acknowledges receipt of this Disclosure of Remuneration Form at Richmond on June 27, 2019
(place) (date)

Signature of person/persons to whom disclosure has been made: _____

A COPY OF THIS DISCLOSURE IS NOT REQUIRED BY THE REAL ESTATE COUNCIL UNLESS SPECIFICALLY REQUESTED.

Unrepresented in a Real Estate Transaction? Know the Risks

Consumers who choose to conduct a real estate transaction without a real estate professional are known as **'unrepresented parties'**. While you aren't required to have a real estate professional represent you in a real estate transaction, the expert advice, protection, and oversight that comes with being the client of a real estate professional can be very helpful.

If you're thinking of being an **unrepresented party**, make sure you understand what a real estate professional representing another party to the transaction can and cannot do for you. A real estate professional must be loyal to their client, and will only be able to provide you with limited services.

- Take a moment to read this important consumer protection information from the Real Estate Council of BC.
- Carefully consider the risks before deciding to be unrepresented in a real estate transaction.
- Expert advice from a real estate professional or other professional (such as a lawyer) who represents your interests can help you navigate the real estate process safely. We urge you to consider getting a real estate professional to represent you in a real estate transaction.

What You Need to Know

Real estate professionals must be loyal to their clients and work in their best interests. Keep in mind that as an unrepresented party, real estate professionals involved in this transaction will not be working in *your* interests

A real estate professional representing someone else in the transaction can only give you limited assistance, such as:

- sharing real estate statistics and general market information
- providing standard real estate contracts and other relevant documents
- helping you fill out a standard real estate contract (but they cannot advise you about what to include in an offer)
- communicating your messages to their client, and from their client to you
- presenting your offers or counteroffers to their client, and from their client to you.



Why are you getting this form?

A real estate professional is required to inform you of the risks of being unrepresented in a real estate transaction. The real estate professional is already representing a client in that same transaction.

How to use this form

Read over this information and ask about anything that is not clear to you. You can complete the optional consumer fields to indicate that you've discussed this information with the real estate professional.

What happens next?

After you've reviewed the form and completed the optional consumer fields, the real estate professional must complete and sign it.

Learn more about this form and other information for real estate consumers at www.recbc.ca.



A real estate professional representing someone else in the transaction cannot act in your interests.

The real estate professional cannot:

- give you advice.
- negotiate on your behalf.
- give you any confidential information about their client. (For example, they cannot tell you their client's maximum/minimum price unless their client authorizes them to share this information with you.)

A real estate professional must share all relevant information they know with their client.

This could include:

- your motivation for buying/selling/leasing/renting.
- your maximum/minimum price.
- your preferred terms and conditions.

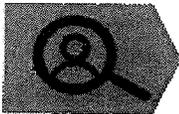
Be cautious about sharing any confidential information with a real estate professional who represents a client with opposing interests to yours. They must share that information with their client.

Make an Informed Choice

You are receiving this form because you are considering dealing with a real estate professional as an unrepresented party. The real estate professional cannot represent you because they are already representing a client in that same transaction.

As a consumer, it is up to you to decide what kind of working relationship with a real estate professional is best for you.

If you want to be an unrepresented party and use some of the limited services that a real estate professional already representing another party to the transaction can provide, the real estate professional must give you a clear understanding of their obligations to their client and the limitations to the help they can give you.



THE REAL ESTATE COUNCIL OF BC URGES YOU TO SEEK YOUR OWN REAL ESTATE PROFESSIONAL FOR THIS TRANSACTION.

This disclosure is made to you in compliance with section 5-10.1 of the Rules made under the Real Estate Services Act.

Instructions

Consumers: Please complete the optional fields below to indicate that you received this consumer protection information.

Real Estate Professional: Complete and sign to indicate you have provided this disclosure to the real estate consumer. Promptly submit this form to your brokerage.

Mandatory Real Estate Professional Confirmation

I confirm that I have:

- Given the unrepresented party information about the duties and responsibilities I owe my client
Given the unrepresented party information about the risks of being unrepresented in a real estate transaction
Given the unrepresented party information about the limited assistance I can provide them
Advised the unrepresented party to seek independent professional advice.

Name Manpreet Berar PREC*

Brokerage: Multiple Realty Ltd.

Signature: [Handwritten Signature] Date: June 27, 2019

Notes:

Optional Consumer Confirmation

I confirm that the real estate professional:

- Gave me information about the duties and responsibilities they owe their client.
Gave me information about the risks of being an unrepresented party in a real estate transaction.
Gave me information about the limited assistance they can provide me.
Advised me to seek independent professional advice.

Consumer Name: Johal Berry Farms Ltd.

Consumer Signature: [Handwritten Signature] Date: June 27, 2019

Consumer Name:

Consumer Signature: Date:

Section 8-4(a) of the Rules made under the Real Estate Services Act requires a brokerage to maintain a copy of all written disclosures and any related acknowledgements under Division 2 Part 5 of the Rules

CONSUMER PRIVACY NOTICE

A real estate professional is providing you with this form because they are required to do so by the Rules made under the Real Estate Services Act (the "Rules"). You are not required to provide your name or signature on this form.

If you have any questions regarding the Real Estate Council of BC's collection and use of your personal information, please contact. Privacy Officer, Real Estate Council of BC, 900-750 West Pender Street, Vancouver, BC, V6C 2T8; telephone: 604 683.9664 or toll-free at 1.877.683.9664; email privacy@recbc.ca

A COPY OF THIS DISCLOSURE IS NOT REQUIRED TO BE PROVIDED TO THE REAL ESTATE COUNCIL OF BC UNLESS IT IS SPECIFICALLY REQUESTED.

Know Your Options as a Real Estate Consumer

Considering a real estate transaction? One of the first decisions you will need to make is whether you should work with a licensed real estate professional who will represent you. Take a moment to read this important consumer protection information from the Real Estate Council of BC.

This form explains the special legal duties that real estate professionals owe to their clients. It will help you choose whether you want to be:

- a **CLIENT** of a real estate professional, who will represent you in the transaction, or
- an **UNREPRESENTED PARTY** with no real estate professional representing you.

Why are you getting this form?
A real estate professional is required to give you this form before working with you, and must explain it to you.

How to use this form:
Read over this information and ask about anything that is not clear to you. You can complete the optional consumer fields to indicate that you've discussed this information with the real estate professional.

What happens next?
After you've reviewed the form and completed the optional consumer fields, the real estate professional must complete and sign it.

Learn more about this form and other information for real estate consumers at www.recbc.ca.

The Benefits of Representation

Many people choose to have a real estate professional represent them in real estate transactions to help them make informed decisions. As a client, you'll benefit from:

Expert advice
In BC, licensed real estate professionals receive specialized training.



Protection
Real estate professionals in BC are licensed under the *Real Estate Services Act*. It is legislation designed to protect the rights of consumers.



Oversight
The Real Estate Council of BC works to ensure real estate professionals are competent and knowledgeable. If you have a concern about a real estate professional, you can file a complaint by visiting our website at www.recbc.ca. We can investigate and discipline individuals for professional misconduct.



What to Expect as a Client

When you become the client of a real estate professional, they owe you special legal duties as your agent:

- Loyalty:** they must put your interests first, even before their own.
- Avoid conflicts of interest:** they must avoid any situation that would affect their duty to act in your best interests.
- Fully disclose relevant information:** they must give you all the facts they know that might affect your decisions.
- Protect your confidentiality:** they must not reveal your private information without your permission, such as:
 - your reasons for buying/selling/leasing/renting
 - the minimum/maximum price you are seeking
 - any preferred terms and conditions you may want to include in a contract.

What to Expect as an Unrepresented Party

If you choose not to have a real estate professional represent you, you are an unrepresented party. You are not entitled to the special legal duties a client receives.

- No loyalty:** the real estate professionals involved in the transaction are representing clients with competing interests to yours. They must be loyal to their clients, not you.
- No duty to avoid conflicts:** no real estate professional is acting in your interests.
- No full disclosure:** the real estate professionals involved in the transaction do not have a duty to give you all relevant information.
- No confidentiality:** the real estate professionals involved in the transaction must share any information you tell them with their client.

Your Options as a Client

In BC, real estate professionals provide their services through licensed companies known as brokerages. If you decide to become the client of a real estate professional, you will sign an agreement with their brokerage. Depending on how the brokerage operates, you will be represented as a client in one of two ways:

1 Designated Agency

Your real estate professional will represent you as a "designated agent". Only your designated agent will owe you the legal duties explained above. Your agent must not share your confidential information with others at the brokerage without your permission.

2 Brokerage Agency

You will be represented by all the real estate professionals at the brokerage. They will all owe you the legal duties explained above. They must all protect your confidential information.

Either way, as a client of a licensed real estate professional you will benefit from expert advice, oversight and protection.



This is a disclosure made in compliance with section 5-10 of the Rules under the Real Estate Services Act.

Instructions

Consumers: Please complete the optional fields below to indicate that you received this consumer protection information.

After reading this form, if you decide that you do not need a real estate professional to represent you, a real estate professional may be required to present you with the Disclosure of Risks to Unrepresented Parties form.

Real Estate Professional: Complete and sign to indicate you have provided this disclosure to the real estate consumer. Promptly submit this form to your brokerage.

Mandatory Real Estate Professional Confirmation

I confirm that I have:

- provided the consumer with the Disclosure of Representation in Trading Services form.
explained the special legal duties owed by a real estate professional to their client
explained the risks of being an unrepresented party in a real estate transaction.

I confirm that I will (check one):

- represent the consumer as my client under designated agency.
represent the consumer as my client under brokerage agency.
deal with this consumer as an unrepresented party.

Name: Manpreet Berar PREC*

Brokerage: Multiple Realty Ltd.

Signature: [Handwritten Signature] Date: June 27, 2019

Notes:

See next page for Optional Consumer Confirmation.

Optional Consumer Confirmation

I confirm that the real estate professional disclosed the special legal duties owed to clients.

Yes No

I confirm that the real estate professional disclosed the differences between a client and an unrepresented party.

Yes No

I confirm that the real estate professional disclosed the risks of being an unrepresented party.

Yes No

I confirm that I choose to (check one):

be a client represented by the real estate professional under designated agency.

be a client represented by the real estate professional under brokerage agency.

be an unrepresented party.

Johal Berry Farms Ltd.

Consumer Name: _____

Consumer Signature: Amraj Johal Date: June 27, 2019

Consumer Name: _____

Consumer Signature: _____ Date: _____

Section 8-4(a) of the Rules made under the Real Estate Services Act requires a brokerage to maintain a copy of all written disclosures and any related acknowledgements under Division 2 Part 5 of the Rules

CONSUMER PRIVACY NOTICE

A real estate professional is providing you with this form because they are required to do so by the Rules made under the Real Estate Services Act (the "Rules") You are not required to provide your name or signature on this form. However, the real estate professional you are dealing with may ask you to do so in order to document that they have provided you with this form as required by the Rules. The real estate professional will provide a copy of this form (including any personal information you have provided such as your name or signature) to their brokerage. The Real Estate Council of BC, the provincial body responsible for regulating real estate professionals, may review this form for the purpose of monitoring compliance with the Rules

If you have any questions regarding the Real Estate Council of BC's collection and use of your personal information, please contact:

Privacy Officer, Real Estate Council of BC, 900-750 West Pender Street, Vancouver, BC, V6C 2T8, telephone: 604.683.9664 or toll-free at 1.877.683.9664, email: privacy@recbc.ca

A COPY OF THIS DISCLOSURE IS NOT REQUIRED TO BE PROVIDED TO THE REAL ESTATE COUNCIL OF BC UNLESS IT IS SPECIFICALLY REQUESTED