

INFORMATION STATEMENT

FOR: BASE 10, 46150 Thomas Road, Chilliwack, BC V2R 6B3

DATE: March 15, 2019 (the “Effective Date”)
Updated Jan 29, 2022 (updated site plan, operating budget and misc. edits, Nov 17, 2022 correct web link)

DEVELOPER: Van Maren Base 10 Partnership

MAILING ADDRESS: Suite 202 – 45793 Luckakuck Way, Chilliwack, B.C., V2R 5S3

THIS INFORMATION STATEMENT HAS BEEN PREPARED BY THE DEVELOPER FOR BASE 10. THE DEVELOPER IS NOT REQUIRED TO PREPARE OR FILE A PROSPECTUS OR DISCLOSURE STATEMENT AND WILL NOT FILE THIS INFORMATION STATEMENT WITH ANY GOVERNMENTAL BODY. THIS INFORMATION STATEMENT CONTAINS AN OVERVIEW OF THE BASE 10 DEVELOPMENT ONLY AND DOES NOT AMEND OR MODIFY ANY OF THE AGREEMENTS RELATING TO THE DEVELOPMENT. IN THE EVENT OF ANY CONFLICT BETWEEN THIS INFORMATION STATEMENT AND ANY AGREEMENTS RELATING TO THE DEVELOPMENT, THE AGREEMENTS WILL GOVERN. THE MONETARY VALUES REFERRED TO HEREIN MAY BE MODIFIED AT ANY TIME. INTERESTED PARTIES SHOULD CONSULT WITH THEIR LEGAL AND OTHER PROFESSIONAL ADVISORS PRIOR TO MAKING AN INVESTMENT IN THE DEVELOPMENT.

INTRODUCTION

Base 10 is a subdivision consisting of approximately 300 townhouses to be constructed on the Tzeachten Indian Reserve in Chilliwack, British Columbia (hereinafter referred to as the “Project”).

The Project is situated on Tzeachten First Nation land. Van Maren Base 10 Partnership (the “Developer”), has leased the land required for the Project from the Tzeachten First Nation, for a term of 109 years ending on November 1, 2127 pursuant to a head lease registered November 2, 2018 (the “Head Lease”). Pursuant to the Head Lease, the Developer will complete the construction of the townhouses and then grant subleases for each individual townhouse. Each sublessee (a “Buyer”) will acquire a sublease for their townhouse.

As the Project is situated on Tzeachten First Nation land, the *Strata Property Act* of British Columbia does not apply to the Project. The Project has been structured, however, so that it will function in a manner essentially similar to a townhouse strata development. When construction of each townhouse has been completed and the sublease for that townhouse is issued to a Buyer, the Developer will transfer to the Buyer a share in a British Columbia company called Base 10 Homeowners’ Corporation (the “Homeowners’ Corporation”), which will carry on functions similar to a strata corporation for the Project. There is one Homeowners’ Corporation for the entire Project. The Developer will retain voting control of the Homeowners’ Corporation until up to 6 months following the date the last townhouse in the Project has been subleased after which time voting control will pass to the Buyers. In brief, the Project will be structured and operate as follows when the Project has been completed and all subleases issued by the Developer:

- A. The Homeowners’ Corporation will be granted one or more subleases of the common areas in the Project, such as roadways, etc. (the “common areas”). All of the shares in the Homeowners’ Corporation will be held by the Buyers.
- B. After voting control of the Homeowners’ Corporation has passed to the Buyers the board of directors of the Homeowners’ Corporation will be elected by the Buyers. A director must be a Buyer, or a nominee of a corporate owner. At all times while the Developer holds voting control of the Homeowners’ Corporation the Developer intends to seek willing Buyers to agree to accept positions on the board and to effectively operate the Homeowners’ Corporation with guidance and oversight from the Developer.
- C. The Homeowners’ Corporation, through its board of directors, will be responsible for those issues relating to the Project that the strata council would be responsible for under a typical townhouse development situation, including maintenance of the common areas, placing of insurance on Project, settling of budgets, collection of maintenance and operating fees and enforcement of the bylaws relating to the Project.
- D. The Buyers will be entitled to use the common areas, together with the other sublease holders. They will have a right to stand for election as a member of the board of directors of the Homeowners’ Corporation and will be the parties who will be responsible for electing the board of the Homeowners’ Corporation. They will also have a right to vote on any changes in the bylaws which govern use of the Project.

1. LOCATION OF THE DEVELOPMENT

1.1 The Land

The Project is being constructed on approximately 18.39 acres of land being legally described as Lot 380 CLSR 107517 except Lot 409 CLSR107780 in the Tzeachten Indian Reserve No. 13 in Chilliwack, British Columbia (the “Land”). Plans indicating the location of the Land are attached as Exhibit A. The exact area and location of the Land, the Project and access may vary from that shown on Exhibit A. The Developer may elect in the future to subdivide a portion of the Land (approximately 2 acres) for the purposes of constructing (or subleasing to a third party to construct) a multi-level condominium style or rental building thereon. The approximate 2-acre area in question is identified in Exhibit A.

1.2 Access

Access to and from the Land is via Promontory Road and Thomas Road.

2. THE DEVELOPER

2.1

- (a) Name: The Developer is a General Partnership called Van Maren Base 10 Partnership. The Co-Managing Partners of the General Partnership are Eric Van Maren (Base 10) Holdings Ltd. (Eric Van Maren) and X.L. Structures (Base 10) Ltd. (Blair Neels)
- (b) Address for Service in British Columbia: Suite 202 - 45793 Luckakuck Way, Chilliwack, B.C. V2R 5S3
- (c) Jurisdiction of Formation of the Partnership: British Columbia
- (d) Date of Creation of the General Partnership: October 18, 2018
- (e) The Partners of the General Partnership and their Directors are as follows:
 - (1) Eric Van Maren (Base 10) Holdings Ltd., which is a British Columbia company that was incorporated on September 27, 2018 pursuant to the British Columbia *Business Corporations Act* under incorporation number BC1181161.
 - Director: Eric Van Maren
 - (2) Bernie Van Maren (Base 10) Holdings Ltd., which is a British Columbia company that was incorporated on September 27, 2018 pursuant to the British Columbia *Business Corporations Act* under incorporation number BC1181064.

- Director: Bernie Van Maren
- (3) X.L. Structures (Base 10) Ltd., which is a British Columbia company that was incorporated on October 24, 2018 pursuant to the British Columbia *Business Corporations Act* under incorporation number BC1184195.
 - Director: Blair Neels
- (4) CGVM Investments Ltd., which is a British Columbia company that was incorporated on August 19, 2016 pursuant to the British Columbia *Business Corporations Act* under incorporation number BC1086713.
 - Director: Christoph Van Maren
- (5) David Jimmie.

2.2 **Developer's History**

- (1) The Developer is a General Partnership. Two of the partners, Eric Van Maren (Base 10) Holdings Ltd. and Bernie Van Maren (Base 10) Holdings Ltd., are respectively controlled by Eric Van Maren and Bernie Van Maren (together the “**Van Marens**”), who are both long-time residents of Chilliwack.

The Van Marens are the principals of the Van Maren Group of Companies, which has developed multi-family residential projects throughout British Columbia since 1973. Recent projects include Halcyon Meadows (224 homes located on the Tzeachten Indian Reserve), Aria Apartments (175 homes located on the Westbank Indian Reserve), Clover Creek (61 homes on the Skowkale Reserve in Chilliwack), The Cottages on Osoyoos Lake (285 homes located on the Osoyoos Indian Reserve), MidTown (187 homes located in Chilliwack, British Columbia). The Van Marens are also involved in a number of large residential subdivisions in Alberta and Ontario (see www.vanmarengroup.com).

- (2) To the best of the Developer's knowledge, none of the Developer or any of its partners have ever been subject to any penalties or sanctions imposed by a court or regulatory authority relating to the sale, lease, promotion or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud.
- (3) To the best of the Developer's knowledge, none of the Developer or any of its partners have ever been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement or compromises with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of such persons.

- (4) To the best of the Developer's knowledge, none of the Developer or any of its partners have ever been a director, officer or principal holder of any other developer that, while the person was acting in that capacity, that other developer:
- (i) was subject to any penalties or sanctions imposed by a court or regulatory authority relating to the sale, lease, promotion, or management of real estate or securities, or to lending money secured by a mortgage of land, or to arranging, administering or dealing in mortgages of land, or to theft or fraud; or
 - (ii) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold its assets.

3. TITLE AND STRUCTURE OF THE DEVELOPMENT

3.1 Development

The Chief and Council for the Tzeachten First Nation (the "Band") have approved conceptual plans for the Project. Detailed plans for the Project will be submitted to the Band for approval as the Project proceeds.

3.2 Head Lease

The landlord under the Head Lease is the Band (and is referred to herein in that capacity as the "Landlord") and the tenant is Van Maren Base 10 Partnership. The material terms of the Head Lease include the following:

- (a) the term of the Head Lease is 109 years ending November 1, 2127;
- (b) all rent payable under the Head Lease has been paid in full;
- (c) the tenant under the Head Lease has certain additional ongoing obligations under the Head Lease, including the obligation to pay all ongoing third party expenses such as taxes and utilities, the obligation to repair the premises, the obligation to insure and the obligation to ensure compliance by all subtenants with the terms of the Head Lease;
- (d) the Head Lease is registered in the First Nations Lands Registry in Ottawa. The Head Lease will not be registered under the British Columbia Land Title System; and
- (e) the Head Lease includes a mechanism protecting sublessees in the event there is a default by the Developer.

The terms of the Head Lease are settled with the Landlord and may be amended if agreed to by the Landlord and the Developer provided that the amendment does not have a material adverse impact on the holders of Subleases.

3.3 **Sublease**

The Developer will create individual subleases for each townhouse (a “Unit” or a “townhouse”) in the Project (a “Sublease” or “Subleases”). A Sublease will be granted to each Buyer. Material terms of each Sublease include the following:

- (a) the term of each Sublease will end October 31, 2127, subject to prior termination in the event of default;
- (b) each Buyer is obligated to pay his or her proportionate share of certain ongoing expenses to the Homeowners’ Corporation relating to the common areas during the term of the Sublease (in the same fashion as an owner of an townhouse strata pays similar costs);
- (c) the Sublease will provide that the exterior portion of all walls and the roofs of all Units will be considered common area and will be maintained by the Homeowners’ Corporation. All patio areas and yards will also be considered common area but they will be designated as “exclusive use areas” by the Developer meaning that only the owner of a Unit may be entitled to use of the patios and yards adjacent to their Unit. The Homeowners’ Corporation shall be responsible for lawn mowing, basic landscaping and for general maintenance and upkeep of all yards;
- (d) a Sublease may be assigned or mortgaged provided the Buyer is not in default. All assignments will be subject to an administration fee to cover the Developer’s legal and administrative costs related to the assignment. The administration fee is equal to 0.5% of the greater of the sale price or the most recent tax assessed value of the Unit;
- (e) the Sublease will be registered in the First Nations Lands Registry in Ottawa. The Sublease will not be registered under the British Columbia Land Title System;
- (f) the Developer’s solicitors will prepare the Sublease for execution by the Developer and the Buyer. The Buyer will be required to contribute \$250.00, plus GST and PST towards the cost of the Sublease preparation;
- (g) the purchase price payable by a Buyer for a Unit will be paid as prepaid rent in the Sublease; and

3.4 **Homeowners’ Corporation**

The Land is Tzeachten First Nation lands which are managed and recorded in the First Nations Land Registry system maintained in Ottawa and accordingly they are not registered in the British Columbia Land Title System. Accordingly, the *Strata Property Act* of British Columbia does not

apply to the Land. As a result, the following steps have been taken to structure the Project in a manner similar to a townhouse strata:

- (a) the Sublease provides that the Homeowners' Corporation will operate in a manner essentially similar to a strata corporation under the *Strata Property Act*. The Homeowners' Corporation will be granted one or more subleases of the common areas and will perform functions similar to those performed by a strata corporation under *Strata Property Act* of British Columbia;
- (b) the Developer will own sufficient shares in the capital of the Homeowner' Corporation (1,000), to retain voting control of the Homeowners' Corporation until a time up to six months after the last Unit has been subleased (in this way, the Developer will retain control for a period sufficient to ensure that the Project is completed in an orderly fashion). The Articles of the Homeowners' Corporation and the initial 1,000 shares issued by the Homeowners' Corporation will permit the Developer to retain such control. Within 6 months of the date that the Project is complete, the original 1,000 shares held by the Developer in the Homeowners' Corporation shall be repurchased for a nominal amount and cancelled. Once the Developer has relinquished control of the Homeowners' Corporation the number of issued shares of the Homeowners' Corporation will be equal to the total number of Units in the Project and each Buyer will own 1 share;
- (c) the Homeowners' Corporation will perform functions that are essentially similar to those performed by a strata corporation under the *Strata Property Act* of British Columbia. In particular, the Homeowners' Corporation (which will function through its board of directors) will be responsible for maintaining the common areas, placing insurance on the common areas, establishing budgets, collecting maintenance and operating fees and enforcing the bylaws relating to the Project;
- (d) each Buyer is entitled to one share in the Homeowners' Corporation. The only shareholders of the Homeowners' Corporation will be the Developer and the Buyers;
- (e) upon the assignment of a Sublease to a Buyer, the share in the capital of the Homeowners' Corporation relating to that Sublease must be assigned to the new purchaser of the Sublease;
- (f) the Homeowners' Corporation may enter into a management contract for management services; and
- (g) as each Unit is completed the owners of that Unit will become shareholders of the Homeowners' Corporation, there being one Homeowners' Corporation for the entire Project.

3.5 **Encumbrances**

As of the Effective Date, the encumbrances appearing on the Parcel Abstract Reports for the Land issued by the First Nations Lands Registry, indicate the following registrations:

- (a) Head Lease and any amendments thereto;
- (b) an easement in favour of an adjacent lot owner allowing for sanitary sewer lines servicing that lot to run within the Project. The adjacent lot owner is not responsible for contribution of costs of maintenance of the sanitary sewer line but it is responsible to contribute towards the cost of maintenance of the sewage lift station; and
- (c) an easement in favour of the same adjacent lot owner allowing for access to and from the adjacent lot to and from Thomas Road through a portion of the Land.

The Developer may elect in the future to subdivide a portion of the Land off for the purposes of constructing (or subleasing to a third party to construct) a multi-level condominium style building thereon. In the event that this occurs, additional utility and access easements will be granted over the remainder of the Land in favour of the condominium site. The Developer may itself, or may cause the Homeowners' Corporation to, grant permits or easements over the Land in favour of other phases of the Project to permit access over and use of common areas (such as roadways, parking areas, walkways, utilities, water lines, sewer lines, etc.) by other buildings of the development. As each phase of the Project is sold common areas of that phase are available for use by all owners and occupiers of previous phases, and the owners and occupiers of the completed phase may use all common areas in the Project. The common areas will be for the use of all owners and occupiers of the Project and will be administered by the Homeowners' Corporation.

The Developer may cause the Homeowners' Corporation to enter into agreements, easements or rights of way or similar rights as may be required for public utilities or authorities, as may be required. Common areas in the Project (except those designated for exclusive use) will be available for use by all occupiers of the Project. The Developer and/or the Homeowners Corporation may grant rights to exclusive use of certain parts of the common areas, on terms and conditions stipulated in such grant.

The Developer will retain the right to use the common areas and one or more homes for marketing purposes.

3.6 **Mineral Rights**

The Head Lease reserves the right for the Landlord to extract minerals from the Land.

3.7 **Litigation**

There is no outstanding or anticipated litigation in respect of the Project or against the Developer which may affect the Project.

4. THE PROJECT

4.1 General Description of the Project

The Project is comprised of approximately 310 townhouse Units. The Developer reserves the right to change the configuration, number and type of Units that may be constructed in the Project. The timing and specifications for construction will be determined from time to time by the Developer.

In future, the developer intends to construct an apartment building of approximately 170 units on the NW corner of the site.

4.2 Use

All townhouses are intended for residential use only which may include home office uses. Home office uses must be ancillary to dwelling in the Unit, must not cause noise or nuisance to other owners, and must be operated in accordance with the Bylaws. The Developer may use townhouses and the common areas for marketing purposes. The Sublease will provide that month to month or long term rentals are permitted but that no short term rentals such as Airbnb will be permitted.

4.3 Plans

Exhibit A to this Information Statement is the conceptual site plan of Base 10 and the floor plans are available on the project website at www.shelterbayliving.ca (See Exhibit B). Dimensions and areas have been measured from the outside of the Unit walls. The final as built size, location, specifications, finishes and details of the Units may vary from those set out in Exhibit B.

4.4 Common Areas

The common area consists of the exterior portion of all townhouses, patios, yards, driveways, roads, parking areas, garden areas, boulevards and utilities outside of Units. The Common property within the Project is available for the use and enjoyment of all occupants of Units in the Project and their invitees provided that the Developer and the Homeowners Corporation may designate some common areas and facilities as “exclusive use areas” which means that they will be for the exclusive use of a sublessee or group of sublessees. All patios, yards and driveways of a Unit will be designated as “exclusive use areas” for the sublessee of that Unit. There will be some street parking set aside for the Units under the B and B1 plans, and those parking spaces will be on the main access road for the Project or in other designated areas.

4.5 Unit Entitlement

The unit entitlement (“Unit Entitlement”) of each Unit is a figure indicating its owner’s contribution to the expenses of the Homeowners’ Corporation. The Unit Entitlement for each Unit is equal, being the percentage obtained when one is divided by the total number of Units in the Project.

4.6 Construction Commencement

Construction of Base 10 commenced in January, 2019.

4.7 **Construction Completion**

The completion of Base 10 is dependent on market conditions. The Developer estimates that it could take 10 or more years from the Effective Date before the Project is complete.

4.8 **Development Particulars**

(a) Development Approval

The overall development plan for the Project has been approved conceptually by the Band. Detailed plans for each phase of the Development will be submitted to the Band by the Developer for approval as construction proceeds.

(b) Construction Approvals and Standards

The Head Lease requires the Developer to obtain all required approvals and permits from the appropriate authorities prior to commencement of construction. All Units will be constructed in accordance with the national building code.

(c) Building Inspections

Inspection services will be provided by architects and engineers retained by the developer.

(d) Utilities and Other Services

(i) Services – The Project is serviced with the following services, namely domestic water, sanitary sewer, street access and fire and police protection. These services will be provided by the City of Chilliwack, which will be entering into a servicing agreement with the Developer and the Band. The cost of maintaining the sewage lift station will be shared by all users of the lift station;

(ii) Hydro - The Project will be serviced with electricity by British Columbia Hydro.

(iii) Natural Gas - The Project will be serviced with natural gas by Fortis B.C.

(iv) Telephone - The Project will be serviced with telephone service by Telus or Shaw.

(v) Television/Internet - The Project will be serviced with television and internet service by Telus or Shaw.

The Developer may change the service providers at any time.

The day-to-day charges for the above utilities and services will be charged directly to the Buyers or determined by sub-metering, proration or Unit Entitlement, as the case may be.

4.9 **Changes from Natural State**

There have been no changes from the natural state of the Land other than normal clearing, site grading, foundation excavation and landscaping.

4.10 **Soil Conditions and Flooding Dangers**

Based on a physical examination of the lands, the developer is not aware of any hazards or dangers to the land with regard to soil conditions or flooding.

5. **THE OFFERING**

5.1 **Terms of Offering**

(a) **Offering**

Buyers will be granted a Sublease of their Unit and will acquire one share in the capital of the Homeowners' Corporation.

(b) **Equipment in Unit**

Each unit will include a microwave, hood fan, dishwasher, fridge, range, washer and dryer, fireplace, and mini-blinds on all the windows.

(c) **Parking**

Each Unit will have 2 enclosed parking space(s) plus at least one or more surface parking space(s) on their lot. No parking will be allowed on the common roads, aside from parking spaces along the main road into the Project for the Units under the B and B1 plans. A limited number of visitor parking stalls will be located on the Project. Owners may only park on their lot and must abide by all bylaws regarding parking of vehicles and trailers.

(d) **Warranties**

WBI Home Warranty Services will provide standard 2-5-10 warranty as described in Exhibit C.

(e) **Purchase Financing**

Subject to the Buyers meeting specified qualifications, the Developer is advised that several financial institutions are prepared to provide first mortgage financing to approved borrowers.

(f) Leasing of Units

The Developer reserves the right to retain Subleases for Units and to lease those Units on terms and conditions determined by the Developer. The Developer may retain one or more Units for use as display suites as part of the Developer's marketing activities in the Project and the Developer may construct one or more Units for "spec" sale purposes. Sublessees shall not be entitled to place "for sale" signage on their Units, rather a central directory will be established to advertise Units for sale.

(g) Assignment of Subleases

An administration fee equal to 0.5% of the greater of the sale price or the most recent tax assessed value of the Subleased Premises will be charged for each Sublease assignment, as described in the Sublease to cover legal and administrative expenses of the Developer,. For such fee the Developer will provide a statement certifying the status of the Sublease. If the Sublease is in good standing, without default, it may be assigned without the Developer's consent.

5.2 Deposits

All deposits payable by a Buyer shall be held in trust by the Developer's lawyers, Waterstone Law Group LLP.

5.3 Property Taxes and Utility Rates

(a) Property Taxes

The Band has enacted assessment and property taxation bylaws and such bylaws are applicable to the Project. The Band will administer and collect property taxes on this Project. Each Buyer shall be responsible for property taxes for his or her townhouse, as well as their proportionate share of property taxes assessed on common areas.

(b) Property Transfer Tax

The Band has enacted a Property Transfer Tax bylaw and so each Buyer will be responsible to pay Property Transfer Tax on the fair market value of the Unit on the date of registration.

(c) Expenses

The following utilities will be separately metered or assessed to each Unit and are the responsibility of each Buyer:

Electricity
Cablevision/Internet
Natural Gas
Telephone

(d) Other Expenses

The Homeowners' Corporation will pay the costs and expenses related to common areas including, but not limited to, the following:

Water and Sewer for the common areas and the townhouses (these are bulk metered)
Electricity for common areas
Repair and maintenance for common areas
Property Management for the Project
Landscape maintenance for the Project, including all front and back yards
Snow Removal
Sewage lift station maintenance
Garbage Collection

The costs will be prorated to the owners of the Units and included in monthly assessments.

5.4 **Common Expenses**

- (a) Exhibit D to this Information Statement is the 2021/2022 annual budget for operating expenses of Base 10. The budget is subject to variation by the Developer and will change. (Please confirm with sales staff to obtain updated information)
- (b) As of the Jan 2022, the monthly assessment for each Unit is \$177.71 commencing in the month immediately following the Closing Date. This assessment is subject to change. (Please confirm with sales staff to obtain updated information)
- (c) The Developer shall not be obligated to pay operating expenses for any Units constructed by it but not yet leased to Buyers or on any bare land inventory.

5.5 **Fire and Liability Insurance**

- (a) The Developer will obtain course of construction insurance at least equal to the costs of improvements and general liability insurance on the Project in the amount of \$5,000,000.
- (b) The Developer has caused the Homeowners' Corporation to arrange insurance coverage to replace the insurance coverage set out above with an all risk, all property insurance for full replacement value of the Units and common areas, including general liability of at least \$5,000,000. Terms of the insurance are described in the Sublease.
- (c) Each Buyer will be responsible for insuring the contents of his or her Unit.

6. RESTRICTIONS ON USE IN THE DEVELOPMENT

6.1 Use of the Units

No Units will be retained or alienated for non-residential purposes, except for use of certain Units by the Developer for marketing purposes for the Project. Owners may use Units for home office uses in accordance with Section 3.2 of this Information Statement.

7. SUBLEASE, BYLAWS

- (a) The form of Sublease and Bylaws will be made available for review by prospective Buyers on the Project website (www.base10living.com). (Please confirm with sales staff to obtain updated information)

8. MISCELLANEOUS

8.1 Material Contracts

No material contracts are in existence or contemplated affecting the Project which would bind the Developer and/or the Homeowners' Corporation, or Buyer except those disclosed herein and those that will be required in the maintenance and operation of the Project in respect of:

- Property Management;
- Common area maintenance;
- Landscape Maintenance;
- Waste collection; and
- Utilities,

and the Developer will make available for viewing on its website (www.base10living.com) copies of relevant documents such as the Head Lease, the Articles and Bylaws of the Homeowners' Corporation and the anticipated form of Sublease.

8.2 Management

The Developer will cause the Homeowners' Corporation to enter into a management agreement with Greg Flack of Select Real Estate Property Management.

EXHIBIT "A"
Site Plan



A copy of the site plan can also be viewed on the project website: www.base10living.com

EXHIBIT “B”

Townhouse Plans

Floor plans are published on the project website: www.base10living.com and are available for download there. Alternatively, please ask our sales staff to provide copies of the floor plans.

EXHIBIT “C”

Home Warranty Particulars

A Standard Home Warranty as required by the Homeowner Protection Office will be provided by WBI Home Warranty. A summary of the coverage is as follows:

Limits of Coverage

- Single Family – up to \$200,000/unit
- Multi-Family – \$100,000/unit
- Common Property – \$100,000/unit, up to a maximum of \$2.5 million per building in a strata plan
- *Exclusions may apply

Summary of Coverage

- 1 Year (any defects in materials and labour)
- 2 Year (building systems, exterior cladding, building code)
- 5 Year (building envelope)
- 10 Year (structural)

For more details please visit: <https://www.bchousing.org/licensing-consumer-services/new-homes/>

These homes will be built to comply with the Residential Construction Performance Guide, which can be found on the BC Housing Website.

EXHIBIT "D"

Current Homeowners' Corporation Budget

BASE 10 HOMEOWNER CORPORATION
APPROVED ANNUAL OPERATING BUDGET
FEBRUARY 01, 2021 - JANUARY 31, 2022

		BUDGET 2020/2021	ACTUAL 2020/2021	APPROVED 2021/2022
	INCOME	43 units	Ending Jan. 31, 2021	41 units (est. to sell) plus 63 rental units
4320	Owners Contributions	\$ 90,063.00	10,213.99	\$ 249,796.00
	Common Costs		1,396.32	
	Additional Rent		45.23	
4390	Interest /By-Law Fines/Legal	\$ -		
4440	Interest Income	\$ -	12.22	
	Total Income	\$ 90,063.00	11,667.76	\$ 249,796.00
	OPERATING EXPENSES			
	General Expenses			
5610	Management	\$ 9,800.00	\$ 1,115.10	\$ 9,348.00
5610	Management of 63 units			\$ 12,852.00
5615	T2 & Statutory Review of Books			\$ 1,500.00
5640	Admin / Postage & Photocopying	\$ 600.00	\$ 265.45	\$ 1,500.00
5650	Legal/Professional Fees	\$ 375.00		\$ 1,000.00
5685	Insurance	\$ 20,000.00	\$ 4,504.75	\$ 80,000.00
5689	Insurance Appraisal			\$ 1,000.00
5690	Bank Charges	\$ 150.00	\$ 143.00	\$ 240.00
5691	Work Safe BC			
	Total General Expenses	\$ 30,925.00	\$ 6,028.30	\$ 107,440.00
	Utilities			
5710	Electricity	\$ 450.00		\$ 2,500.00
5730	Water & Sewer	\$ 18,500.00		\$ 60,000.00
5750	Waste Removal	\$ 7,500.00		\$ 28,000.00
	Total Utilities	\$ 26,450.00	\$ -	\$ 90,500.00
	Building Expenses			
5810	Repairs & Maintenance	\$ 2,000.00		\$ 11,500.00
5811	Sewage Lift Station	\$ 2,000.00		\$ 2,000.00
5840	Fire Inspection	\$ 500.00		\$ 1,000.00
5855	Dryer Vent Cleaning			
5875	Pest Removal			
5880	Landscaping	\$ 18,000.00		\$ 11,356.00
5885	Landscaping - Improvements	\$ 1,500.00		\$ 1,500.00
5890	Snow Removal	\$ 500.00		\$ 500.00
	Total Building Expenses	\$ 24,500.00	\$ -	\$ 27,856.00
	TOTAL OPERATING EXPENSES	\$ 81,875.00	\$ 6,028.30	\$ 225,796.00
	RESERVE FUNDS			
5910	Contingency Reserve Fund	\$ 8,188.00	\$ 8,188.00	\$ 24,000.00
	Total Reserve Funds	\$ 8,188.00	\$ 8,188.00	\$ 24,000.00
	Total Expenses and Reserves	\$ 90,063.00	\$ 14,216.30	\$ 249,796.00
	Surplus / Deficit	\$ -	-\$ 2,548.54	\$ -

This budget is based on the assumption that all 104 units are occupied for the full fiscal year.

As the revenue will only be collected as units complete, the financial statements will reflect the actual revenue and expenses which is expected to be lower as occupancy will not be completed until the end of the fiscal year.

		2020/2021 monthly maintenance fee	2021/2022 monthly maintenance fee
300-376	Owned by one company	\$ 176.54	\$ 175.71
	Remaining units	\$ 176.54	\$ 177.71