

ADDENDUM A TO CONTRACT OF PURCHASE AND SALE

The following terms replace, modify, and where applicable override the terms of the attached contract of purchase and sale (“Contract”).

Where a conflict arises between the terms of this Addendum A and the Contract, the terms of this Addendum A will apply.

The references in this Addendum A to specific clauses in the Contract are references to the clause numbers in the standard form MLS contracts of purchase and sale (“MLS Contract”) used by the Chilliwack, Fraser Valley and Vancouver Real Estate Associations. If the Contract has different clause numbers than those contained in the MLS Contract, the terms of this Addendum A will apply with the necessary changes and with equal effect notwithstanding the different clause numbers.

All references to the “Seller” in the Contract and in this Addendum A will be read as references to Royal Bank of Canada.

All references to the “Property” in the Contract and in this Addendum A will be read as references to:

City of Vancouver Parcel Identifier: 018-999-841 Strata Lot 53 District Lot 541 Strata Plan LMS1631 together with an interest in the common property in proportion to the unit entitlement of the strata lot as shown on Form 1

All references to the “Mortgage” in this Addendum A means the mortgage charging or formerly charging the Property under BB287587 and which is the subject of those foreclosure proceedings brought in the Supreme Court of British Columbia, Vancouver Registry, No. VLC-S-H-100362 (“Proceedings”) giving rise to the Seller’s entitlement to sell it.

1. This offer may be terminated at Royal Bank of Canada’s sole option if at any time
 - (a) the Mortgage is redeemed pursuant to the terms of order nisi of foreclosure pronounced in the Proceedings;
 - (b) the Mortgage is otherwise reinstated or redeemed as may be permitted by the Supreme Court of British Columbia; or
 - (c) Royal Bank of Canada determines it is inadvisable to present the offer to the courtand in any such event Royal Bank of Canada shall have no further obligations or liability to the Buyer under the Contract or otherwise. This condition is for the sole benefit of Royal Bank of Canada.
2. **Clause 3** (Terms and Conditions) of the Contract is deleted and replaced by the following:

- (a) Addendum A to this contract of purchase and sale is included and forms a part of this contract; and
- (b) This contract of purchase and sale is subject to court approval. This condition is for the sole benefit of Royal Bank of Canada.

3. The following is added to **Clause 5** (Possession) of the Contract:

If the Property is occupied by anyone, then the Seller, while still required to deliver vacant possession to the Buyer, may wait to deliver vacant possession until after conclusion of the Seller's enforcement of a court order for vacant possession. The Buyer acknowledges that if vacant possession is unavailable on the Possession Date, then the Buyer must complete the purchase of the Property in any event in accordance with the terms of this Contract and allow the Seller a reasonable period of time thereafter to deliver vacant possession through writ of possession or such other lawful enforcement means as the Seller considers advisable. In such event the Buyer agrees that the Seller shall not be liable to the Buyer for any losses or damages arising or related in any way to the Seller's failure to deliver vacant possession to the Buyer on the Possession Date.

4. The following is added to **Clause 6** (Adjustments) of the Contract:

Notwithstanding any other provision of this contract, the Seller will at the date of completion pay only those special assessments that are

- (a) duly levied and approved by the strata corporation before the date of acceptance of this contract; and
- (b) due and payable before the completion date.

All other special assessments ("Buyer's Assessments") imposed by the strata corporation shall be paid by the Buyer. If any Buyer's Assessments must be paid prior to the completion date, the Seller will pay the same, but shall receive reimbursement therefor from the Buyer on the completion date. If any funds are or become payable by the strata corporation to the owners pursuant to subsection 108(5) of the Strata Property Act or similar legislation, or pursuant to a settlement or judgment arising out of any claim for any common property construction deficiency (the Buyer's share of such funds is hereafter called, "Rebate"), then the Buyer hereby irrevocably assigns to the Seller the Buyer's entitlement to the Rebate. If notwithstanding this assignment the strata corporation pays the Rebate to the Buyer, then the Buyer shall pay the Rebate to the Seller forthwith on the Seller's demand. This provision shall survive the completion of the sale.

5. **Clause 7** (Included Items) of the Contract is deleted and replaced by the following:

- (a) The assets to be purchased under this contract do not include any personal property or chattels;
- (b) The Property is being purchased "as is - where is" as of the Possession Date; and

(c) The Buyer acknowledges that although home warranty insurance coverage may be required under the provisions of the *BC Homeowner Protection Act* no such insurance coverage is available in respect of the Property. The Buyer accepts and assumes the obligation to acquire such insurance coverage in the event it is required. The Buyer also exclusively accepts and assumes all risks of loss or damage in the event the Buyer fails to acquire any such insurance coverage. The Seller shall have no further obligations or liability to the Buyer under the Contract or otherwise in respect of *BC Homeowner Protection Act* or arising from any omission to acquire home warranty insurance coverage.

6. **Clause 8** (Viewed) is deleted and replaced by the following:

The Property is being purchased “as is - where is” as of the Possession Date.

7. **Clause 9** (Title) of the Contract is deleted and replaced by the following:

Title: Free and clear of all encumbrances of the parties to proceedings brought in the Supreme Court of British Columbia, Vancouver Registry, No. VLC-S-H-100362 (“Proceedings”) in accordance with a vesting order to be made in the Proceedings except: subsisting conditions, provisos, 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, if any, and except as otherwise set out herein.

8. **Clause 10** (Tender) of the Contract is deleted and replaced by the following:

Tender or payment of monies by the Buyer to the Seller will be by certified cheque or bank draft.

9. **Clause 12** (Time) of the Contract is deleted and replaced by the following:

Time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreement to pay the balance as may be necessary is entered into on or before the Completion Date, Royal Bank of Canada may at Royal Bank of Canada’s option either terminate or reaffirm this Contract, and in either event the amount paid by the Buyer, including without limitation the deposit will be absolutely forfeited to Royal Bank of Canada on account of damages without prejudice to Royal Bank of Canada’s other remedies.

10. No property condition disclosure statement concerning the Property forms part of the Contract whether or not such a statement is attached to it.

11. **Clause 24** (Acceptance) of the Contract is deleted and replaced by the following:

The acceptance of this offer by Royal Bank of Canada is pursuant to a court Order for Conduct of Sale of the Property and not as seller or owner of the Property. The acceptance of this offer by Royal Bank of Canada is subject to the approval of the

Supreme Court of British Columbia (“Court”) and will become effective from the time an order is made approving this offer. Royal Bank of Canada hereby advises the Buyer that Royal Bank of Canada’s obligations in connection with this offer, until it is approved by the Court are limited to putting this offer before the Court. Thereafter, Royal Bank of Canada is subject to the jurisdiction and discretion of the Court to entertain other offers and to any further orders the Court may make regarding the Property. Given Royal Bank of Canada’s position and Royal Bank of Canada’s relationship to other parties in the Proceedings, Royal Bank of Canada may be compelled to advocate that the Court consider other offers in order to obtain the highest price for the Property. Royal Bank of Canada gives no undertaking to advocate the acceptance of this offer. In that regard, the buyer must make its own arrangements to support this offer in court. The Buyer also acknowledges and agrees that the normal and expected practice of the Court on an application for an Order approving a sale, when faced with more than one bid, is to direct all bidders (including the original bidder) to then each submit one final bid in a judicial sealed bid auction. The Buyer also acknowledges and agrees that such a sealed bid auction may well result on an application to Court for an Order approving this offer.

BUYER:

Per:

SELLER:

Per: