

THE BENTLEY AT NEWPORT VILLAGE
PARKING STALL/STORAGE LOCKER LEASE

THIS AGREEMENT made as of January 9, 2007,

BETWEEN:

APIA DEVELOPMENTS (SENTINEL) LIMITED
#103 – 4430 Halifax Street
Burnaby, British Columbia
V5C 5R4

("Owner")

AND:

APIA DEVELOPMENTS LIMITED
#103 – 4430 Halifax Street
Burnaby, British Columbia
V5C 5R4

("Tenant")

WITNESSES THAT WHEREAS:

- A. Owner is the registered owner of certain lands and premises located in Port Moody, British Columbia, and legally described as:

City of Port Moody
Parcel Identifier: 026-385-082
Lot 1
District Lot 470
Group 1
New Westminster District
Plan BCP18725

(the "Lands").

- B. Owner has agreed to lease to Tenant all of the parking stalls, except for the visitor parking stalls (as described in section 3.6 of the Disclosure Statement for the development constructed or to be constructed on the Lands), (the "Stalls" and individually a "Stall") and all of the storage lockers (the "Lockers" and individually a "Locker") designated as common property on the strata plan for the complex constructed on the Lands (the "Development"), all on the terms and conditions set out in this Lease

and with the right of Tenant to grant partial assignments of this Lease pertaining to particular Stalls and Lockers.

- C. After entering into this Lease, Owner proposes to subdivide the Lands by means of a strata plan (the "Strata Plan") pursuant to the *Strata Property Act* (British Columbia) to create the Development.
- D. The Strata Plan will designate the Stalls and Lockers as common property for the strata corporation (the "Strata Corporation") formed upon the deposit for registration of the Strata Plan in the appropriate Land Title Office.
- E. Each of the parties to this Lease agree that title to the common property of the Strata Corporation will be subject to and encumbered by this Lease.

NOW THEREFORE in consideration of these premises and the sum of \$10.00 of lawful money of Canada now paid by Tenant to Owner, the receipt and sufficiency of which is hereby acknowledged by Owner, and in consideration of the mutual promises and agreements set forth in this Lease, the parties agree each with the other as follows:

ARTICLE 1
GRANT AND TERM

1.01 **Grant.**

Owner hereby leases Tenant for the Term (as defined in section 1.02) all of the Stalls and Lockers.

1.02 **Term.**

The term (the "Term") of this Lease shall commence on January 9, 2007 and terminate on the earlier of:

- (a) the date which is 999 years after the commencement date;
- (b) the date the Strata Corporation is dissolved; and
- (c) the date this Lease is superseded pursuant to section 5.01.

For the purposes of this provision, the amalgamation of the Strata Corporation with another strata corporation will not be considered a dissolution of the Strata Corporation.

1.03 **Rent.**

The parties to this Lease acknowledge that the sum of \$10.00 now paid by Tenant to Owner will be the only payment required to be paid to Owner by either Tenant or any assignee of a partial assignment under this Lease for the use and enjoyment of a Stall and/or a Locker.

ARTICLE 2
SUBDIVISION BY STRATA PLAN

2.01 **Strata Plan.**

Upon the deposit of the Strata Plan in the Land Title Office, Owner will cause the Strata Corporation to enter into an agreement in a form reasonably required by Owner pursuant to which Owner will assign to the Strata Corporation all of its right, title and benefit hereunder, and the Strata Corporation will assume all of the covenants and obligations of Owner under this Lease, as the representative of the owners of strata lots, and which will provide that, upon execution thereof, Owner will be absolutely released from any obligations or liabilities hereunder and no longer entitled to the benefit of any rights hereunder.

2.02 **Common Property.**

This Lease is intended to apply only to a portion of the common property which will be created upon the deposit for registration of the Strata Plan and not at any time to burden the title to any individual strata lot.

ARTICLE 3
MAINTENANCE AND ENCUMBRANCES

3.01 **Maintenance.**

Owner confirms that until the deposit for registration of the Strata Plan, Owner shall be solely responsible for the control, management and administration of the Stalls and Lockers but thereafter, pursuant to section 2.01 of this Lease, the Strata Corporation will assume full responsibility for the control, management and administration of the Stalls and Lockers as common property in accordance with the provisions of the *Strata Property Act* (British Columbia) and the bylaws of the Strata Corporation and may pass bylaws or make rules and regulations with respect to the Stalls and Lockers as long as such bylaws, rules or regulations do not materially interfere with the rights of Tenant or any subsequent assignee under this Lease.

3.02 **Alterations.**

Tenant, its successors and permitted assigns, are not entitled to alter, or to perform any repairs of any sort whatsoever to, the Stalls or the Lockers. Any such alterations or repairs are the sole responsibility of Owner prior to the registration of the Strata Plan, and thereafter of the Strata Corporation.

3.03 **Subordination.**

Tenant agrees to subordinate its interest pursuant to this Lease to any financial encumbrance registered by Owner against the Lands.

3.04 **No Right to Encumber.**

Tenant shall not mortgage, charge, pledge or otherwise grant their interest in any Stall or Locker as security to any person.

ARTICLE 4
ASSIGNMENT

4.01 **Partial Assignments.**

Tenant may partially assign this Lease and its rights under this Lease pertaining to one or more particular Stalls and/or Lockers to a purchaser of a strata lot, to Tenant (if the assignor is not Tenant) or the Strata Corporation. Any such assignment will be for such consideration as the assignor or the assignee may determine, which consideration may be retained by the assignor for its own benefit. Any partial assignment by Tenant, or by any subsequent assignee, of this Lease and its rights under this Lease pertaining to a particular Stall or Locker:

- (a) will be absolute, and the assignee and its guests, lessees, successors and permitted assigns will be entitled to the use and enjoyment of the Stall and/or Locker so assigned for the balance of the Term;
- (b) will be an assignment of rights to which an assignee will only be entitled for so long as such assignee owns a strata lot within the Development unless the assignment is to the Strata Corporation or to Tenant (where the assignor is a person other than Tenant);
- (c) may only be assigned to an owner or purchaser of a strata lot within the Development or to the Strata Corporation or to Tenant (if the assignor is a person other than Tenant); and
- (d) will not be effective until written notice of such assignment (together with a copy of such assignment if available) is delivered by the assignee to the Strata Corporation subject to section 4.02 of this Lease.

4.02 **Automatic Assignment.**

If a holder of an interest in a Stall and/or Locker transfers all of his or her interest in a strata lot within the Development to which such Stall and/or Locker is at such time appurtenant as shown on the register maintained under section 4.07 without concurrently executing an assignment of such Stall and/or Locker to another owner or purchaser of a strata lot within the Development, then the interest of such holder (including Tenant) in such Stall and/or Locker will be deemed to have been automatically assigned to and assumed by the purchaser of such strata lot without execution of a partial assignment of this Lease with respect to such Stall and/or Locker or delivery of notice of such partial assignment to the Strata Corporation.

4.03 Exchanges and Transfers.

- (a) A holder of an interest (the "First Owner" in this subsection) in a Stall and/or Locker (the "First Stall/Locker" in this subsection) may exchange his or her interest in the First Stall/Locker with the holder (including Tenant) of an interest (the "Second Owner" in this subsection) in a different Stall/Locker (the "Second Stall/Locker" in this subsection) for such consideration as the First Owner and the Second Owner may agree. Such an exchange will be accomplished by the First Owner partially assigning this Lease to the Second Owner in respect of the First Stall/Locker, and the Second Owner partially assigning this Lease to the First Owner in respect of the Second Stall/Locker. The First Owner and the Second Owner will each execute a partial assignment of this Lease in favour of the other substantially in the form attached hereto as Schedule A. The exchange will be on the terms set out in subsections 4.01(a) to (c) and will not be effective until written notice of each assignment (together with a copy of each assignment) is delivered to the Strata Corporation. For greater certainty, section 4.02 will not apply to exchanges under this subsection 4.03(a).
- (b) A holder of an interest (the "First Owner" in this subsection) in a Stall and/or Locker may transfer his or her interest in such Stall/Locker to an owner of a strata lot within the Development, Tenant or the Strata Corporation (the "Second Owner" in this subsection) for such consideration as the First Owner may in his or her discretion determine provided that following the transfer the First Owner is left with an interest in at least one Stall and one Locker. Such a transfer will be accomplished by the First Owner partially assigning this Lease to the Second Owner and, in connection therewith, the First Owner will execute a partial assignment in favour of the Second Owner substantially in the form attached hereto as Schedule A. The transfer will be on the terms set out in subsections 4.01(a) to (c) and will not be effective until written notice of the assignment (together with a copy of the assignment) is delivered to the Strata Corporation. For greater certainty, section 4.02 will not apply to transfers under this subsection 4.03(b).

4.04 Consents.

The consent of the Strata Corporation will not be required for any partial assignment of this Lease. The Strata Corporation will not interfere with or attempt to interrupt or terminate the rights of an assignee under any such assignment except as expressly agreed by such assignee.

4.05 Form of Partial Assignments.

Subject to section 4.02, all partial assignments of this Lease shall be substantially in the form attached hereto as Schedule A.

4.06 Release of Assignors.

Upon the partial assignment (including an automatic assignment pursuant to section 4.02) of this Lease pertaining to a particular Stall and/or Locker, Tenant and any subsequent assignor of an interest in such Stall and/or Locker will be automatically and absolutely released from any obligations or liabilities under this Lease pertaining to such Stall and/or Locker.

4.07 Register of Partial Assignments.

Owner, and after the registration of the Strata Plan, the Strata Corporation, will maintain a register of all Stalls and Lockers and will record on such register each partial assignment of this Lease, indicating:

- (a) the number of the Stall and/or Locker assigned;
- (b) the date of assignment;
- (c) the name and address of the assignee; and
- (d) the number of the strata lot within the Development owned by the assignee to which such Stall and/or Locker is at the time appurtenant, unless the assignee is the Strata Corporation or Tenant in which event the Stall and/or Locker need not be appurtenant to a strata lot.

Upon request by any owner or prospective purchaser of a strata lot within the Development, the Strata Corporation will provide a certificate, within seven days of receipt of such request, certifying the name and address of the owner to whom a particular Stall and/or Locker is assigned and the number of the strata lot within the Development to which such Stall and/or Locker is at the time appurtenant. The Strata Corporation may require a fee of not more than \$10.00, or a greater amount reasonably prescribed by the bylaws of the Strata Corporation, from the person requesting such certificate. Upon the Strata Corporation becoming aware of a partial assignment pertaining to a particular Stall and/or Locker under section 4.01 or 4.02 the Strata Corporation will amend the register accordingly.

ARTICLE 5
MISCELLANEOUS

5.01 Supersession of Lease.

If the Strata Corporation deems it more appropriate, the Strata Corporation may by $\frac{3}{4}$ vote supersede this Lease and grant to all persons shown then as assignees in the Strata Corporation's register of partial assignments maintained pursuant to section 4.07 above, the exclusive right to use their respective Stalls and Lockers which are substantially similar to the rights granted to such persons through partial assignments of this Lease.

5.02 **No Registration.**

Neither this Lease nor any partial assignment hereof shall be registered by any party in any land title office.

5.03 **Severability.**

If any provision or a portion of a provision of this Lease is found to be illegal or unenforceable, then such provision or portion will be severed from this Lease and this Lease will be deemed to be so amended, and this Lease will continue in full force and effect subject only to such amendment.

5.04 **Definitions.**

Any term defined in the recitals to this Lease will have the same meaning throughout this Lease unless otherwise redefined.

5.05 **Meaning of "Person".**

In this Lease, "person" means an individual, corporation, body corporate or unincorporated organization or any trustee, executor, administrator or other legal representative.

5.06 **Enurement.**

This Lease shall enure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties hereto have executed this Lease by their respective duly authorized officers.

**APPIA DEVELOPMENTS (SENTINEL)
LIMITED**

Per: _____

(Authorized Signatory)

APPIA DEVELOPMENTS LIMITED

Per: _____

(Authorized Signatory)

Schedule A

THE BENTLEY

PARKING STALL/STORAGE LOCKER ASSIGNMENT

BETWEEN _____

(the "Assignor")

AND: _____

(the "Assignee")

RE: Parking stall(s) No. _____ (the "Stall") and/or Locker No. _____
(the "Locker") shown on the Parking/Locker plan for The Bentley at Newport Village.

WHEREAS the Assignor is the lessee of the Stall and/or Locker and the Assignee is the registered owner of strata lot _____ (the "Strata Lot") (Suite _____) in the Bentley at Newport Village.

In consideration of the covenants and agreements set forth in this Assignment, the parties agree with each other as follows:

1. Assignment

The Assignor hereby assigns to the Assignee its partial interest in the lease (the "Lease") dated January 9, 2007 made between Appia Developments (Sentinel) Limited, as lessor, and Appia Developments Limited, as lessee, pertaining to the exclusive right to the Stall for the balance of the Term (as defined in the Lease). Subject to article 4 of the Lease, this Assignment will not be effective until the Assignee has given a copy of this Assignment to the Strata Corporation.

2. Assignment Contingent Upon Strata Lot Ownership.

Unless the Assignee is the Strata Corporation or Tenant, the Assignee, its successors, permitted assigns, heirs, executors or administrators shall only be entitled to the rights with respect to the Stall for as long as the Assignee owns the Strata Lot.

3. Compliance.

The Assignee agrees to use the Stall in accordance with the bylaws, rules and regulations of the Strata Corporation, but only to the extent such bylaws, rules and regulations do not materially interfere with the Assignee's rights under this Assignment.

4. Sale or Disposition.

The Assignee may only assign its rights under this Assignment to the Strata Corporation, Tenant, a purchaser of the Strata Lot or to another owner of a strata lot within The Bentley at Newport Village (subject to article 4 of the Lease).

5. Acknowledgement.

The Assignee acknowledges having received a copy of the Lease and agrees to be fully bound by its terms.

6. Enurement.

This Assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

7. Execution and Delivery

This Assignment may be executed by the parties and transmitted by fax or electronic mail (e-mail) and if so executed and transmitted this Assignment will be, for all purposes, as effective as if the parties had executed and delivered an original Assignment.

The parties have executed this Assignment effective as of the ____ day of _____, 20__.

ASSIGNOR:

ASSIGNEE:

